

YORKSHIRE PURCHASING ORGANISATION

AUDIT & SCRUTINY SUB-COMMITTEE

FRIDAY, 4TH MARCH 2022

Present: The Chair: Councillor Mackenzie (North Yorkshire)

Councillors: Barnard (Barnsley), Cole (Doncaster), Wyatt (Rotherham)

1.	CHAIR'S INTRODUCTION & WELCOME
	Councillor Mackenzie welcomed all parties to the meeting.
2.	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence were received on behalf of Councillors Lomas (York), Barnes (Calderdale), Williams (Wakefield), Uppal (Kirklees), Davies (Kirklees), Prescott (Wigan), Nightingale (Doncaster), Haslam (Bolton). And: Gillian Marshall (Wakefield), Jon Towler (Independent Director), and Jo Marshall (YPO).
3.	MEMBERS DECLARATION OF INTEREST
	No declarations of interest were made.
4.	URGENT ITEMS
	No urgent items were raised.
5.	PREVIOUS MINUTES (AUDIT & SCRUTINY SUB COMMITTEE)
	The minutes of the YPO Audit & Scrutiny Sub-Committee held on 5 th November 2021 were approved by all.
6.	ANNUAL GOVERNANCE STATEMENT & LOCAL CODE OF CORPORATE GOVERNANCE
	The Managing Director (Simon Hill) noted that although a review of governance is currently underway, the papers on today's agenda remain business as usual. The Executive Director (Julie Hawley) shared the report of the Head of Finance which presents the first draft of the Annual Governance Statement (AGS) 2021 for consideration. The Local Code has been reviewed and no changes are proposed at this time. Resolved - (1) That the Annual Governance Statement & Local code of corporate governance be approved.
7.	REVIEW OF FINANCIAL PROCEDURE RULES

	<p>Consideration was given to the Review of Financial Procedure Rules.</p> <p>The Financial Procedure Rules have been reviewed to ensure compliance with the current law, and no changes are currently proposed.</p> <p>Resolved – (1) That the Review of Financial Procedure Rules be noted.</p>
8.	GIFTS AND HOSPITALITY
	<p>Consideration was given to the Gifts and Hospitality report presented by the Executive Director.</p> <p>As part of its Anti-Fraud and Bribery Framework, YPO maintains a Gifts and Hospitality register as part of the policy which employees must follow.</p> <p>Resolved – (1) That the report be noted.</p>
9.	EMPLOYEE INTERESTS
	<p>The Executive Director shared a report detailing the Employee Declarations of Interest Policy.</p> <p>Resolved – (1) That the Audit & Scrutiny Sub-Committee note progress on the roll out of the new system and processes, update to the policy, and compliance across YPO.</p>
10.	INTERNAL AUDIT UPDATE REPORT
	<p>The Service Manager for Internal Audit & Risk (Jason Brook) talked through the Internal Audit update report. The purpose of this report is to give positive assurance on the initial planning work that has been completed, and that resources are in place to fulfil the 2021 Internal Audit Plan.</p> <p>Members asked a number of questions and were satisfied with the responses provided.</p> <p>Resolved – (1) That the Internal Audit Update Report be noted.</p>
11.	DRAFT INTERNAL AUDIT PLAN 2022
	<p>The Service Manager for Internal Audit & Risk shared the draft Internal Audit plan for 2022.</p> <p>The report details the proposed Internal Audit Plan for 2022. The purpose of the report is to share the draft internal audit plan with key stakeholders to ensure that effective engagement has taken place throughout the planning process.</p> <p>The Managing Director explained that we are in the process of proactively reviewing the whole supply chain for any risks, but there are currently no short-term risks relating to supply from Ukraine.</p>

	<p>Councillors asked several questions and were satisfied with the responses from Officers.</p> <p>Resolved – (1) That the Internal Audit Plan for 2022 be recommended for approval by the Management Committee.</p>
12.	INTERNAL AUDIT ACTIONS UPDATE
	<p>Consideration was given to a report which provided an update as to the progress made towards actions resulting from internal audits completed at YPO, as part of the Annual Audit Plan by Wakefield Council's Internal Audit.</p> <p>Resolved – (1) That the progress made in implementing internal audit actions be noted.</p>
13.	EXTERNAL AUDIT UPDATE REPORT
	<p>Alastair Newall (Mazars) shared the External Audit Update report.</p> <p>Alastair explained that the planning work has commenced and is going well.</p> <p>A discussion was held around the possible impact of changes to the CIPFA code.</p> <p>Resolved – (1) That the report be noted.</p>
14.	DRAFT PRE-AUDIT STATEMENT OF ACCOUNTS
	<p>The Executive Director (Julie Hawley) shared the report of the Head of Finance which provided Members with the details of the draft Pre-Audit Statement of Accounts 2021.</p> <p>Councillors welcomed the improvement made on trade debtors.</p> <p>Resolved – (1) It is noted by Members that the Draft Pre - Audit Statement of Accounts 2021 is ready for audit.</p>
15.	EXCLUSION OF THE PUBLIC AND PRESS
	<p>Resolved – That the public and press be excluded from the meeting during consideration of agenda item 16 on the grounds that it is likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.</p>
16.	FRAUD PREVENTION FOLLOW UP REPORT

	<p>The Managing Director (Simon Hill) shared the Fraud prevention follow up report. This report has been written in response to a request for further data in the last meeting.</p> <p>Simon talked through the measures in place to strengthen our resistance to fraud attempts, particularly cyber fraud.</p> <p>Resolved – That the report be noted.</p>
17.	DATE AND TIME OF NEXT MEETING
	<p>Resolved – (1) That the next meeting of the YPO Audit & Scrutiny Sub Committee is to be held on 1st July 2022, 10.30am.</p> <p>Councillors thanked Cllr Mackenzie for his time Chairing the Audit & Scrutiny Sub Committee.</p>