

YORKSHIRE PURCHASING ORGANISATION

AUDIT & SCRUTINY SUB-COMMITTEE

WEDNESDAY, 29TH MAY 2019

MEETING NOT QUORATE – MINUTES FOR INFORMATION ONLY

Present: The Chair: Councillor Warburton (Bradford)

Councillors: Warburton (Bradford), Barnard (Barnsley), Dadd (North Yorkshire)

98.	CHAIR'S INTRODUCTION & WELCOME
	Councillor Warburton welcomed all parties to the meeting.
99.	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillors Rehman (Wigan), Nightingale (Doncaster), Vjestica (Rotherham), and Neil Warren (Wakefield).
100.	MEMBERS DECLARATION OF INTEREST
	No declarations of interest were made.
101.	URGENT ITEMS
	No urgent items were discussed.
102.	PREVIOUS MINUTES (AUDIT & SCRUTINY SUB COMMITTEE)
	The minutes of the YPO Audit & Scrutiny Sub-Committee held on 15 th February 2019 were unable to be approved as today's meeting was not quorate.
103.	EXTERNAL AUDIT REPORT
	<p>Matthew Moore (KPMG) shared the External Audit report from KPMG.</p> <p>Matthew Moore provided a verbal overview of the report and noted it is still in draft position as there is a technical accounting issue in relation to pensions. The report summarises the key findings for 2018 based on the work completed on site in January and April 2019.</p> <p>Matthew Moore thanked the finance team for their continued work and support.</p> <p>Councillor Dadd raised a question on the additional fee and was satisfied with the response from KPMG.</p> <p>A discussion was held around the pensions issue and why it has taken this long to resolve.</p> <p>Councillors thanked for KPMG for their work.</p> <p>Resolved – (1) That the report be noted.</p>

<p>104.</p>	<p>AUDITED STATEMENT OF ACCOUNTS</p> <p>Consideration was given to a report of the Head of Finance which detailed the provisional 2018 Audited Statement of Accounts.</p> <p>The Audited Statement of Accounts have been externally audited and the auditors anticipate an unqualified opinion.</p> <p>Paul Smith noted our thanks to KPMG for their work over the years.</p> <p>Resolved – (1) That members note the report.</p> <p>(2) The inquorate Audit & Scrutiny Sub Committee indicated the members present would want to recommend that the Audited Statement of Accounts be submitted to the Annual General Meeting in June for formal approval.</p>
<p>105.</p>	<p>APPOINTMENT OF AUDITORS</p> <p>Consideration was given to a report of the Head of Finance in relation to the appointment of auditors.</p> <p>Paul Smith shared the result of the tender exercise, following a review of both cost and quality, it is proposed that Mazars should be appointed as the contracted auditor for 2019 to 2023.</p> <p>Resolved – (1) The inquorate Members recommend the Management Committee approve the appointment of Mazars as YPO’s external auditors for the next 5 years.</p>
<p>106.</p>	<p>AUDIT & SCRUTINY SUB COMMITTEE TERMS OF REFERENCE & WORK PROGRAMME</p> <p>Consideration was given to the report of the Managing Director which provided members with an overview of the work scheduled for the 2019/20 committee cycle.</p> <p>The report also proposed the Terms of Reference, Principal Agenda Items, 2019/20 Meeting Schedule and Training Plan.</p> <p>Resolved – (1) That the report be noted and submitted to the Annual General Meeting in June for formal sign off.</p>
<p>107.</p>	<p>GOVERNANCE REVIEW</p> <p>Consideration was given to a report of the Managing Director entitled Governance Review.</p> <p>The report explained that YPO has various governance policies and these are reviewed at least annually by the Board, any changes to these policies are brought to Committee for approval.</p> <p>The report detailed when each policy was last reviewed and any proposed action by the Board.</p> <p>Resolved - (1) That the inquorate Committee note the contents of the table at paragraph 1.2.</p>

108.	DRAFT ANNUAL INTERNAL AUDIT PLAN 2019
	<p>Consideration was given to a report of the Service Manager for Internal Audit & Risk from Wakefield Council (Jason Brook), entitled Draft Annual Internal Audit Plan for 2019.</p> <p>The report details the process that has been followed to determine the priorities for the draft 3 Year Audit Plan.</p> <p>Jason Brook shared the draft plan with Members.</p> <p>Resolved – (1) That the inqorate Members recommend the proposed Internal Audit Plan for 2019 to 2021 for approval by the Management Committee.</p>
109.	EXCLUSION OF THE PUBLIC AND PRESS
	<p>Resolved – That the public and press be excluded from the meeting during consideration of agenda items 13 and 14 on the grounds that they are 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>
110.	IT PROGRAMME UPDATE (LINK) (EXEMPT – PARAGRAPH 3)
	<p>Consideration was given to the report of the Executive Director (Paul Smith) which provided Members with an update on the current project dossier.</p> <p>The report summarised the progress with the IT Programme.</p> <p>Paul Smith shared a further update on the risks.</p> <p>Resolved – (1) That the report be noted.</p>
111.	PROPERTY RISK REPORT (EXEMPT – PARAGRAPH 3)
	<p>A report of the Executive Director (Julie Wray) was shared entitled Property Risk Report.</p> <p>Simon Hill shared the report. The purpose of the report is to update Members on the planned activities to address the various implications arising from the insurance risk report received in May 2018.</p> <p>Simon Hill noted that the insurance have confirmed they will still cover us without sprinklers in place, and have downgraded the sprinkler risk to a recommendation rather than a requirement.</p> <p>Simon Hill noted we are undertaking a comprehensive review of our Business Continuity plans as a result of this.</p> <p>We are also undertaking a full property review in order to put together a property strategy, this will be completed in quarter three and shared with Members.</p> <p>Simon Hill noted he is happy the initial short-term risk has been resolved.</p>

	<p>Councillors raised a number of questions and were satisfied with the responses provided.</p> <p>Resolved – (1) Members noted the content of the report.</p>
112.	DATE AND TIME OF NEXT MEETING
	<p>Resolved – (1) That the next meeting of the YPO Audit & Scrutiny Sub Committee is proposed to be held on Friday 1st November 2019, 10.30am.</p>