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**TEES VALLEY COMBINED AUTHORITY  
AUDIT AND GOVERNANCE COMMITTEE**

**Cavendish House, Teesdale Business Park, Stockton-On-Tees TS17 6QY  
Tuesday 5<sup>th</sup> September 2017 at 2.00pm**

**MEETING**

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ATTENDEES

Members

Cllr Nicola Walker (Chair)	Middlesbrough Borough Council	MBC
Cllr Michael Dick (Vice Chair)	Redcar & Cleveland Borough Council	R&CBC
Cllr Barry Woodhouse	Stockton Borough Council	SBC
Cllr Alan Coultas	Darlington Borough Council	DBC
Colin Fyfe	Independent Member	
Paul Bury	Independent Member	

Apologies for absence

Cllr Charles Johnson	Darlington Borough Council	DBC
Cllr Sandra Belcher	Hartlepool Borough Council	MBC

Officers

Julie Gilhespie	Finance Director	TVCA
David New	Senior Finance Manager	SBC
Andy Bryson	Finance Manager	SBC
Andrew Barber	Audit & Risk Manager	SBC
Sarah Brackenborough	Governance Manager	TVCA

Also in Attendance

Mark Kirkham	Partner	Mazars LLP
Gareth Roberts	Senior Manager	Mazars LLP

**AGC INTRODUCTIONS  
13/17**

Introductions from Committee members and officers were made. Since the last meeting Tees Valley Combined Authority has appointed a Finance Director, Julie Gilhespie who was introduced to the Committee

as the lead officer for all future Audit and Governance Committee meetings.

**AGC  
14/17**      **DECLARATIONS OF INTEREST**

There were no interests declared.

**AGC  
15/17**      **MINUTES**

Consideration was given to the minutes of the meeting held on 28<sup>th</sup> June 2017

Resolved that the minutes be confirmed and signed as a correct record.

**AGC  
16/17**      **TERMS OF REFERENCE**

The recommended terms of reference for the Committee have been drafted based on suggested terms of reference published by CIFPA. The terms of reference need to be agreed by the Committee.

Resolved that the recommended Terms of Reference are agreed but that these should be mapped to the Committee's Forward plan to ensure alignment.

**AGC  
17/17**      **INTERNAL AUDIT ANNUAL REPORT**

Consideration was given to a report showing the current position in respect of the 2016/2017 audit plan and the results of the work undertaken.

The Committee requested that target completion dates be added to the Internal Audit plan for future meetings.

Resolved that the internal Audit report is noted and target completion dates will be added to the plan where possible.

**AGC  
18/17**      **EXTERNAL AUDIT COMPLETION REPORT AND VALUE FOR MONEY OPINION**

Consideration was given to the external audit completion report for 2016/17

The detail of the audit completion report was shared and it was confirmed that the auditors are satisfied with the draft financial report. There are no adverse matters that are required to be brought to the attention of the Committee.

The Committee thanked the Auditors for the work carried out to ensure that a positive external audit report was received.

Resolved that the External Audit completion report is noted.

**AGC  
19/17**      **STATEMENT OF ACCOUNTS**

Consideration was given to a report regarding the statement of accounts for 2016/17. The accounts have been completed in accordance with the "Code of Practice on Local Authority Accounting in the United Kingdom 2016/17" which is prepared under International Financial Reporting Standards.

Resolved that the Statement of Accounts report be noted

**AGC  
20/17**      **ANNUAL GOVERNANCE STATEMENT**

The Accounts and Audit Regulations 2015 require authorities to conduct a review at least once a year of the effectiveness of their governance framework and produce an Annual Governance Statement.

Consideration was given to a report regarding the draft Annual Governance statement for 2016/17. The Statement of accounts and Annual Governance statement will be presented for Cabinet approval on 29<sup>th</sup> September. Following Cabinet approval the Governance Statement will be signed by the Mayor and the Managing Director.

Resolved that The draft Annual Governance statement is noted

**AGC  
21/17**      **RISK MANAGEMENT STRATEGY AND CORPORATE RISK REGISTER**

Consideration was given to a report regarding the Combined Authority Risk Management Strategy and the Corporate Risk Register at the end of the second quarter of 2017/18.

It was explained that the strategy sets Tees Valley Combined Authority's approach to risk management and integrates the requirements of the Single Pot assurance Framework.

Discussion took place around the strategy and the high risks showing on the register. The Committee requested that further detail on risk appetite is made available to them to explain further the approach to this.

Resolved that:

- The Committee approve the Tees Valley Combined Authority Risk Management Strategy
- The Committee considered the contents of the Risk register

**AGC  
22/17**      **TREASURY MANAGEMENT STRATEGY ANNUAL REPORT**

Consideration was given to a report informing of the performance against the Treasury Management and prudential indicators set in the Treasury Management Strategy.

Discussion took place regarding the link between risk appetite and investment limits. The Committee also requested a list be provided showing key documents, when these will be published and what approval route they take.

Resolved that:

- The report be noted
- A timetable of key documents is provided to the Committee

**AGC  
23/17**

### **WORK PROGRAMME**

Consideration was given to the work programme for the Committee.

Resolved that the work programme is noted.

### **DATE OF NEXT MEETING**

The date of the next meeting to be held at Cavendish House on 1<sup>st</sup> December 2017 is noted.