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KIRKLEES COUNCIL

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Friday 22nd April 2016

Present: Councillor Hilary Richards (Chair)
Councillor Naheed Mather
Councillor Andrew Palfreeman
Councillor Kath Pinnock
Councillor John Taylor
Councillor Linda Wilkinson

Apologies: Councillor Robert Barraclough

In attendance:

Observers:

11 Membership of the Committee

Apologies for absence were submitted by Councillor R Barraclough.

12 Minutes of Previous Meeting

Minutes of the meeting held on 11 March 2016 agreed as a correct record.

13 Interests

No interests were declared at the meeting.

14 Admission of the Public

All items considered in public session with the exception of agenda item 16 – Quarterly Report of Internal Audit 2015/16, which was considered in private due to the report containing exempt information.

15 Deputations/Petitions

No deputations or petitions were received.

16 External Audit Progress Report and Technical Update - April 2016

The Committee received the latest External Audit Report and Technical Update and Alistair Newell attended the meeting to present the report, which included information on the key issues arising from the external audit work.

RESOLVED – That the content of the external audit progress report and technical update as at April 2016 be noted.

17 Internal Audit - Annual Report 2015/2016 and Audit Plan 2016/2017

Committee considered a report providing information about internal audit activity in the year 2015/16 together with an opinion on the adequacy and effectiveness in the

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council's framework of governance, risk management and control. The report indicated that it was the opinion of internal audit that the overall framework of the council's financial and business control systems, processes and its management of assets was sufficiently sound to provide an adequate control environment.

The report went on to provide information on compliance with the requirements of the public sector internal audit standard together with information on the audit plan 2016/17.

Discussion took place on the proposals for an external audit evaluation of internal audit to be carried out in 2016/17 and it was proposed that this be carried out by a nominee of the South and West Yorkshire Audit Group.

RESOLVED –

(1) That the effectiveness of the council's internal audit function be confirmed together with coherence to public sector internal audit standard.

(2) That the content of the report be noted

(3) That the audit plan for 2016/17, as set out in the considered report, be approved

(4) That the Head of Audit and Risk be given delegated authority to amend the audit plan to take account of unplanned work and investigations and that variations be reported as part of quarterly reporting to Corporate Governance and Audit Committee

(5) That the audit charge for 2016/17 as set out in the considered report be reaffirmed

(6) That approval be given to the current intention that the external evaluation of internal audit will be carried out by the nominee of the South and West Yorkshire Audit Group during the first quarter of 2017/18.

18 Internal Audit - Annual Governance Statement 2015/2016

The Committee considered a report seeking approval of the draft 2015/16 Annual Governance Statement, prior to it being signed off by the Chief Executive and Leader of the Council, to accompany the Annual Statement of Accounts, that will be presented to the September meeting of the Corporate Governance and Audit Committee. The report indicated that it was a statutory requirement to produce an annual Governance statement and that it accompanies the statement of accounts in order to provide assurance as part of the governance and internal control environment in which the accounts had been compiled and which they relate.

The report provided a copy of the annual governance statement 2015/16 which highlighted a number of what were termed significant governance issues which relate to the period covered by the statement of account, all of which were ongoing issues brought forward from the 2014/15 statement. The report also went on to give details of the actions and controls the Council was taking to address the concerns and issues raised.

RESOLVED – That the draft 2016/17 annual governance statements were approved.

19 Whistleblowing Policy

The Committee considered report setting out information on the ongoing work on the council's whistleblowing policy and recommendations made by the Council Panel considering matters relating to Child Sexual Exploitation and Safeguarding in connection with the whistleblowing policy. It was noted that the Council Panel had concluded its considerations in January 2016 and had made recommendations on aspects of the wording of the council's existing whistleblowing policy which may benefit from revisions. The proposed text changes were incorporated and highlighted within the considered report at appendix 1 and the committee were asked to consider the approval of the revised whistleblowing policy.

RESOLVED – Approval will be given to the amendments of the whistleblowing policy as set out in the considered report.

20 Proposed Amendments to Financial Procedure Rules

The Committee considered a report setting out proposed changes to Financial Procedure Rules (FPRs) which were recommended for consideration at the annual meeting of council to take place in May 2016. The proposed change to Financial Procedure Rules were highlighted within the considered report and the Committee were asked to consider these and make comment on any proposed changes they may wish to recommend to the annual meeting.

The committee agreed to recommend approval to changes to Financial Procedure Rules subject to the retention to the existing wording of the rules at paragraph 2.10, relating to the reporting of revenue monitoring information to Council.

RESOLVED – That changes to Financial Procedure Rules as set out in the considered report be approved and referred to council for consideration, subject to the retention of paragraph 2.10 and any consequential changes arising there from.

21 Proposed Amendments to Council Procedure Rules

The committee considered the report setting out proposals to make amendments to Council Procedure Rules. The considered report set out the key changes that were proposed within Council Procedure Rules, all of which were as a result of issues that had been identified on an ongoing basis during the current municipal year.

Giving its approval to council procedure rule changes set out in the report the committee agreed that the Chief Executive and Leading Members meeting should be requested to give early consideration to issues relating to the timing of debates on petitions at Council meetings in accordance with the Council's Petition Policy, the time allocated to dealing with motions at council meetings and reporting by Cabinet members to Council meetings. The committee also agreed that future holding executive to account council meetings, including questions to Chairs of Committees and Sub-Committees, etc be dealt with on a rotating basis so as to ensure an opportunity that all chairs can be questioned within the available time.

RESOLVED –

(1) That proposed amendments to Council Procedure Rules as set out in the considered report be approved and referred to council for consideration

(2) That the Chief Executive and Leading Members meeting be requested to give consideration to issues relating to the timing of debates on petitions at Council meetings in accordance with the Council's Petition Policy, the time allocated to dealing with motions at Council meetings and reporting by Cabinet members to Council meetings.

(3) That at future holding executive to account meetings, questions to Chairs of Committees and Sub-Committees etc be dealt with on a rotating basis so as to ensure an opportunity that all chairs can be questioned within the available time.

22 Proposed Dates of Council - 2016/2017

The committee considered a schedule of proposed dates for meetings of council to take place during the year 2016/17 for recommendation to the annual meeting.

RESOLVED – That the proposed dates for Council meetings for 2016/17 be approved and referred to Council for consideration, subject to officers changing the sequence of key discussions/holding executive to account meetings to ensure they take place on a consecutive basis.

23 Update on Outside Bodies Representation

The Committee received an update on appointments made at District Committees in relation to the Councillors representation on outside bodies.

RESOLVED – That the report updating on outside bodies representation be noted.

24 Request from Local Government Association to express an interest in collective purchase of External Audit

The committee considered a report from the Director of Resources asking for consideration as to whether the Council wished to express an interest in the Local Government Association's offer to participate in a collective purchase of external audit post 2018. The report indicated that work would need to commence on an option to collectively purchase external audit as new appointments to auditors would need to be made by 31st December 2017.

The report set out information on the options under consideration and highlighted that, at this stage, as no firm commitment was required, the balance of advantage would be to express an interest in joining a collective purchase process which could procure a lower cost of audit and stand alone arrangements.

RESOLVED – That the Director of Resources be requested to write to the Local Government Association expressing early interest in the collective purchase of Local Government Audit.

25 Exclusion of the Public

RESOLVED - That acting under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on

the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act, as specifically stated in the undermentioned Minute.

26 Quarterly Report of Internal Audit 2015/2016 (Quarter 2: January to March 2016)

(Exempt information relating to financial and business affairs of any particular person. The public interest in maintaining the exemption outweighs the public interest in disclosing the information and providing greater openness in the Council's decision making)

The committee considered a report providing information on the activity and findings from Internal Audit work completed during the quarter 1st Jan to 31st March 2016. The committee were asked to identify any further action that was required in relation to any of the matters that were reported.

RESOLVED – That the quarter 4 annual audit report for 2015/16 for the period January to March 2016 be noted.

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