

Contact Officer: Andrea Woodside

**KIRKLEES COUNCIL**

**CORPORATE GOVERNANCE AND AUDIT COMMITTEE**

**Friday 18th November 2016**

Present: Councillor Hilary Richards (Chair)  
Councillor Julie Stewart-Turner  
Councillor Carole Pattison  
Councillor Kath Pinnock  
Councillor John Taylor  
Councillor Linda Wilkinson

Apologies: Councillor Andrew Palfreeman

**13 Membership of the Committee**

Apologies for absence were received on behalf of Councillor Palfreeman.

**14 Minutes of Previous Meeting**

**RESOLVED**

That the minutes of the meeting held on 23 September 2016 be approved as a correct record.

**15 Interests**

Councillor K Pinnock declared an 'other' interest in Agenda Item 11 on the grounds that she is a Member of the Council of Huddersfield University.

**16 Admission of the Public**

It was noted that Agenda Item 13 (minute number 25 refers) would be considered in private session.

**17 Deputations/Petitions**

No deputations or petitions were received.

**18 Public Question Time**

No questions were asked.

**19 Treasury Management - Half Yearly Monitoring 2016/2017**

The Committee received a report which provided an update on treasury management activity for the period 1 April to 30 September 2016, in line with the CIPFA Code of Practice on Treasury Management.

In summary, the report provided assurance that the Council's treasury management function was being managed on a prudent and pro-active basis, with external investments averaging £44.8million at an average rate of 0.46%. The report explained that balances were invested in line with the approved strategy, where possible, in instant access accounts or short-term deposits. It advised that external borrowing had fallen to £414.7million but was expected to rise by up to £30million short term borrowing by the end of the year. The treasury management revenue budget was expected to underspend by £1.8million in 2016/2017.

The Committee noted the content of the report, which provided information on economic context and interest rates, investment performance, borrowing performance, revenue budget monitoring, prudential indicators and risk and compliance issues.

**RESOLVED**

That the report be received and noted, and submitted to the meeting of Council on 14 December 2016 for information.

**20 Annual Audit Letter 2015/2016**

The Committee received the KPMG Annual Audit Letter 2015/2016, which summarised the outcome of audit work at the Council during the 2015/2016 audit year. The Committee noted that KPMG had issued an unqualified conclusion on the Council's arrangements to secure value for money for 2015/2016 on 23 September 2016, which meant that the Council had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources.

The Committee noted that the audit had not identified any significant or material audit adjustments and that any adjustments had been minor or presentational, and not impacting upon the general fund or HRA balances, the surplus/deficit on provision of services, or the net assets of the Council.

**RESOLVED**

That the Annual Audit letter 2015/2016 be received and noted.

**21 Annual Audit Technical Update Report**

The Committee received the KPMG Technical Update report which provided an overview on progress in delivering the external audit function. The report set out the 2015/2016 audit deliverables alongside a commentary including reports and opinions, and a summary of progress. The report also set out details on KPMG resources which included details of publications, and technical developments including an update to the 2015/2016 code of practice.

**RESOLVED**

That the External Audit Technical Update, dated November 2016, be received and noted.

**22 Outside Bodies Representation - Update report**

The Committee received a report which set out the changes to outside bodies representation that had occurred since the previous update on 22 April 2016. Paragraph 2.2 of the considered report listed the organisations where changes had taken place and the names of the Elected Members now appointed, along with the term of appointment.

**RESOLVED**

That the updated outside bodies representation information, as set out within the considered report, be noted.

**23 Industrial Advisory Panel (University of Huddersfield) - Formalisation of Representatives**

The Committee received a report which requested the formalisation of representatives to the University of Huddersfield's Industrial Advisory Panel. The report explained that Councillors Cooper and Stewart-Turner had attended the Panel in an informal capacity, and that the Panel's terms of reference had now been amended to enable the formalisation of the appointment of external members. The Committee were therefore asked, in the absence of any other nominations, to support the appointment of Councillors Cooper and Stewart-Turner for a minimum term of three years.

**RESOLVED**

1) That the arrangements for the formalisation of representatives to the University of Huddersfield Industrial Advisory Panel (Engineering and Technology) as detailed within the report be approved.

2) That Councillors Cooper and Stewart-Turner be appointed as the Council's representatives to the Panel for a minimum of three years.

**24 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.

**25 Quarterly Report of Internal Audit 2016/2017 - Quarter 2 (July to September 2016)**

(Exempt information within Part 1 of Schedule 12A of the Local Government Act 1972, namely that the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). 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 received the Quarterly Report of Internal Audit 2016/2017 Quarter 2, covering the period July to September 2016.

In considering the information provided regarding the vehicle theft, the Committee requested that a further report be submitted to the next meeting to enable further discussions on the matter.

**RESOLVED**

1) That the Quarter 2 update report be received and noted.

2) That the Head of Audit and Risk be authorised to make amendments to the Audit Plan, as detailed within the considered report.

3) That, in regard to the report relating to a vehicle theft from Housing and Building Services, a further report be submitted to the next meeting of the Committee to provide information on the Council's policies on use of vehicles by employees, including feedback on what action has been taken and any changes in practice following the incident, and that an appropriate officer be asked to attend the meeting.

4) That, in regard to the report relating to purchasing cards, a further report be submitted to a future meeting to provide a progress update following the implementation of the review recommendations.