

KIRKLEES COUNCIL

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Friday 12th May 2017

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

1 Membership of the Committee

Councillor Patrick substituted for Councillor Palfreeman.

2 Interests

No interests were declared.

3 Admission of the Public

It was noted that all agenda items would be considered in public session.

4 Deputations/Petitions

No deputations or petitions were received.

5 Annual Report on Treasury Management 2016-17

The Committee received a report which provided details on the Council's treasury management activities for the previous year. In summary, the report explained that the Council's treasury management operation for the year had followed the strategy as approved by Council on 17 February 2016 whereby investments of approximately £41.8m had been largely deposited in instant access accounts and earned an average interest rate of 0.37%. It explained that total external borrowing had increased for the year by £13.3m, totalling £437.7m and that the increase had largely arisen due to the need to replace spent balances. The majority of borrowing had been on fixed term rates and the average borrowing rate for 2016/2017 was 4.78%. The report advised that the treasury management function had spent £10.9m on interest payments and £12.6m on providing for the repayment of debt. There was an £11.6m underspend against the budget, mainly arising from changes

to policy on Minimum Revenue Provision, as approved by Council on 15 February 2017.

The Committee noted the content of the report which provided an overview of the Borrowing and Investment Strategy 2016/2017, investment activity, borrowing requirement and debt management, trends in treasury management activity, revenue budget monitoring and risk and compliance issues.

RESOLVED -

That the review of treasury management activity for 2016/2017 be received and noted.

6 Proposed changes to the Council's Constitution

The Committee gave consideration to a report which set out proposed changes to the Council's constitution prior to its submission to Annual Council on 24 May 2017. The Committee were advised that the Constitution had been reviewed throughout the year and that minor changes had been made in line with authority delegated to the Monitoring Officer. The report provided a breakdown of the suggested amendments to the 2017/2018 Constitution by Article and sought the views of the Committee on changes proposed, as set out at Paragraphs 2.02 to 2.31 of the considered report.

In regards to Paragraph 2.15, which set out suggestions for changes to arrangements at meetings of Council, the Committee agreed that further discussions should take place regarding the proposals for start times and breaks during the meeting, and that work be undertaken during the year to consider the arrangements for the meetings, including scheduling and content. In regards to the proposed amendment at Paragraph 2.13, the Committee agreed with the proposal but requested that the amendment be reworded to read '...representation to be made to the meeting on the subject matter, within the five minute allocation that is permitted'.

RESOLVED -

- 1) (i) That the proposed changes to Articles of the Constitution and Council Procedure Rules be approved as detailed within the considered report, that further discussion take place regarding the proposals for start times and breaks as set out at paragraph 2.15 of the report, and that a piece of work take place during the year looking at the arrangements for Council meetings including content and scheduling.

(ii) That the explanation to the proposed amendment at 2.13 be amended to read '...representation to be made to the meeting on the subject matter, within the five minute allocation that is permitted.'
- 2) That Council be requested to delegate authority to the Service Director – Legal, Governance and Commissioning to make the appropriate amendments to the constitution (and any consequential changes) to reflect the recommendations as set out in (1) above.

7 Proposed changes to Financial Procedure Rules

The Committee gave consideration to a report which set out proposed changes to the Council's Financial Procedure Rules prior to its submission to Annual Council on 24 May 2017. The report advised that the proposed changes reflected changes to operating arrangements, requirements and needs. The proposed changes were illustrated by track change in the appendix to the considered report and an overview was provided at paragraph 2.3 of the report.

In regards to Paragraph 2 (3.10), the Committee agreed with the proposal but requested that the amendment be reworded to read '...subject to the approval of the Chief Finance Officer and notification being provided to the relevant Cabinet Member and appropriate Ward Members.'

RESOLVED -

- 1) That the report be submitted to the meeting of Annual Council on 24 May 2017 with the recommendations that;
 - (i) the proposed changes to Financial Procedure Rules be approved and be effective from 1 June 2017 subject to the amendment of 3.10 para. 2 to read '...subject to the approval of the Chief Finance Officer and notification being provided to the relevant Cabinet Member and appropriate Ward Members.'
 - (ii) That the Service Director – Finance, IT, Transactional Services and the Service Director – Legal, Governance and Commissioning be authorised to make any recommended or drafting changes that they consider necessary prior to the submission of the report to Annual Council.
 - (iii) That the Service Director – Legal, Governance and Commissioning be authorised to amend post titles to reflect those used in practice by Officers who are fulfilling stated functions.
- 2) That it be noted that the Service Director – Finance, IT, Transactional Services, the Service Director – Legal, Governance and Commissioning, and the Head of Audit and Risk, may prepare additional guidance as appropriate to supplement the Financial Procedure Rules.

8 Proposed changes to Contract Procedure Rules

The Committee gave consideration to a report which set out proposed changes to Contract Procedure Rules prior to its submission to Annual Council on 24 May 2017. The report advised that the proposed changes reflected changes to operating arrangements, requirements and needs. The proposed changes were illustrated by track change in the appendix to the considered report and an overview was provided at paragraph 2 of the report.

RESOLVED -

- 1) That the report be submitted to the meeting of Annual Council on 24 May 2017 with the recommendations;

- (i) That the proposed changes to Contract Procedure Rules be approved and effective from 1 June 2017.
 - (ii) That it be noted that the Service Director – Legal, Governance and Commissioning may prepare additional guidance to supplement the Contract Procedure Rules and aid compliance with appropriate European and national legislation.
 - (iii) That the Service Director – Legal, Governance and Commissioning be authorised to amend post titles to reflect those used in practice by Officers who are fulfilling stated functions.
- 2) That the Service Director – Legal, Governance and Commissioning be authorised to make any recommended or drafting changes considered necessary prior to the submission of the report to Annual Council.

9 Proposed amendments to Overview and Scrutiny

The Committee received a report which set out proposals for changes to the Overview and Scrutiny structure prior to its submission to Annual Council on 24 May 2017. The report gave an overview of the scrutiny process during the 2015/16 and 2016/17 municipal years and reflected upon the learning of this period, and the identified issues within Children's Services improvement work to set out the rationale for the changes to the structure going forward. The report proposed an increase in the number of scrutiny panels, which would increase the opportunity for the involvement of a greater number of non-executive councillors.

The report explained that it was proposed to (i) retain the Overview and Scrutiny Management Committee (ii) retain the Health and Social Care Scrutiny Panel under the new name of Health and Adult Social Care (iii) establish a Children's Scrutiny Panel (iv) establish an Economy and Neighbourhoods Scrutiny Panel and (v) establish a Corporate Scrutiny Panel, with the panels comprising 5 Councillors, a Lead Member, and a minimum of two co-optees.

The Committee also gave consideration to a report which provided feedback on the findings of research into approaches to the Call-In process and set out a number of proposals for revisions to the existing process, including a revised Call-In pro-forma and procedure, and the production of guidance notes for both members of the public and members appointed to the scrutiny panels.

RESOLVED -

- 1) That the report be submitted to the meeting of Annual Council on 24 May 2017 with the recommendation that the proposed changes to Overview and Scrutiny be approved.
- 2) That Council be requested to delegate authority to the Service Director – Legal, Governance and Commissioning to make the appropriate amendments to the constitution (and any consequential changes) to reflect the recommendations as set out in (1) above.

10 Dates of Council - 2017/2018 Municipal Year

The Committee gave consideration to a report which set out a schedule of proposed dates for meetings of Council in the 2017/2018 municipal year. The report proposed that meetings be held on 11 July 2017, 20 September 2017, 11 October 2017, 15 November 2017, 13 December 2017, 17 January 2018, 14 February 2018, 21 March 2017 and 23 May 2017. The Committee noted that the proposed dates would be submitted to the meeting of Annual Council for determination.

RESOLVED -

That the schedule of Council meetings for 2017-2018, as set out within the considered report, be endorsed and submitted to Council with a recommendation of approval subject to the following changes;

- 11th July 2017 to be moved to 5th July 2017
- 20th September 2017 to be moved to 13th September 2017