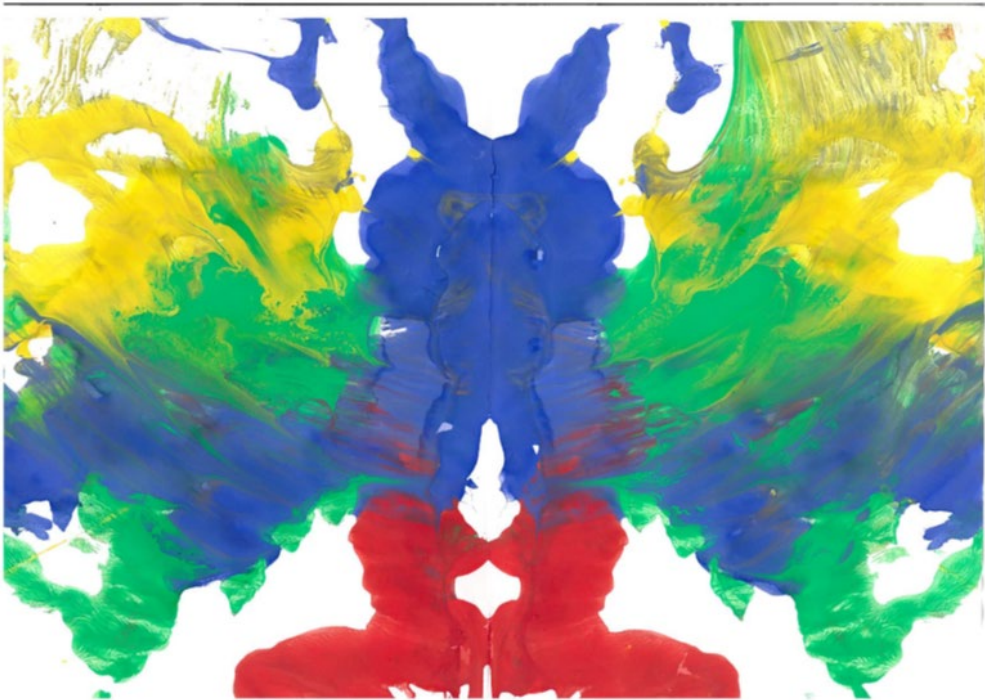


**KIRKLEES COUNCIL
CORPORATE GOVERNANCE & AUDIT
COMMITTEE
ANNUAL REPORT
2018/19**



Introduction

1. This is the first annual report of the Council's Corporate Governance & Audit Committee.
2. This report looks to raise awareness of what the Corporate Governance & Audit Committee does and its important role in ensuring sound governance, assurance and internal control within the organisation. It sets out the key roles, tasks it has undertaken this year and some of the things it will do in 2019/20.
3. Over the last few years there have been changes to the role of the Committee, as it has looked at a wider range of cross organisation assurance, and monitored the steps in place to improve and carry out the plans.
4. The Committee looks to provide constructive challenge and sits alongside and compliments the role of Scrutiny, with greater emphasis on governance control, rather than policy initiatives.

Role of the Committee

5. The Corporate Governance & Audit Committee has the following key responsibilities.
To be responsible for advising and reviewing in relation to the;
 - (a) Constitution, including Financial Procedure Rules and Contract Procedure Rules, and governance operating procedures, such as Planning protocols.
 - (b) Portfolios of the Cabinet and the terms of reference and delegations to committees and formally appointed bodies and officers
 - (c) Adoption, operation and changes to the Members' Allowances Scheme
 - (d) Council's arrangement relating to financial and management accounting and information
 - (e) Reviewing and challenging all treasury management activities.
 - (f) Council's arrangements relating to the external auditor including the receipt of reports , and gaining the necessary assurance regarding governance prior to the approval of the council's accounts the approval of the statement of accounts and any material amendments of the accounts recommended by the auditors
 - (g) Council's arrangements relating to internal audit including the Annual Audit Plan, the Annual Internal Audit report, and monitoring and reviewing the performance of internal audit.
 - (h) Council's Corporate Governance arrangements, internal control and risk management) and including to review and approve the annual statement of Corporate Governance.
 - (i) Council's Code of Corporate Governance, and the annual Statement of Corporate Governance.
 - (j) Designations of the Head of Paid Service, the Monitoring Officer and all statutory "proper officers".
 - (k) Appointments of individuals to outside bodies and revocation of such appointments.

- (l) Payments or other benefits in cases of maladministration as required and make recommendations arising from any review of a report of the Local Government and Social Care Ombudsman.
- (m) Terms of reference for and conduct of a community governance review, and making recommendations to Council
- (n) Monitoring compliance with the Council's Regulation of Investigatory Powers Act (RIPA) policy, and
- (o) Some functions in relation to elections and parishes charities and charitable trusts (so far as not the responsibility of Cabinet).

Membership

6. The committee is made up of 7 formal members, who are not leaders of their political group, on a none proportional basis, with four ex-officio members with rights to speak but not vote the Cabinet with responsibility for Corporate Governance, and the Chairs of the Overview & Scrutiny Management Committee, and Standards Committee.(and a treasury management expert, although no such role holder is appointed).
 During the year (May 2018 to April 2019) the Committee met on 7 occasions.
 Attendance was

Cllr Hilary Richards (chair)	7	Cllr Julie Stewart Turner	3
Cllr Carole Pattison	6	Cllr John Taylor	3
Cllr Kath Pinnock	6	Cllr Gemma Wilson	1
Cllr Ken Sims	4		
Also attended Cllr Andrew Pinnock, Cllr Mohan Sokhal			

Cllrs Richards and Sims were not re-elected,
 Cllrs Stewart Turner and Wilson stood down at May 2019.

Topics considered during 2018/19

7. The specific topics considered by the Corporate Governance & Audit Committee during the year were.

Accounting & Finance	Approval of Final Accounts for 2017/18, and the Annual Governance Statement, and the report of the External Auditor (KPMG) Information about externally audited grant claims Consideration of Reports on Bad Debts that were to be written off. Treasury Management Strategy and monitoring External Audit Plan, Progress Report and sector update (Grant Thornton) Reports on debt management
Internal Audit & Control	Annual report of Internal Audit Four Quarterly reports of Internal Audit Report of Internal assessor –Internal audit compliance with Public Sector Internal Audit Standards, and follow up report
Risk	Risk and Third Parties Risk Management Statement compliance
Business Control & Assurance	Annual Emergency Planning & Business Continuity Report Information Governance/GDPR Annual report , and assurance update Two Corporate Customer Standards Report (including Ombudsman comments)
Council Procedures	Proposed changes to - Constitution - Code of Conduct -Terms of reference of Health & Wellbeing Board - Contract Procedure Rules - Financial Procedure rules
Meeting & Memberships	Dates of Council meetings
Members Allowance	Changes to rates and allowances

Committee Training

8. The committee carried out a programme of training, topics included
- Treasury management (provided by Arlingclose treasury advisors)
 - Role of the Audit Committee (provided internally, but based on external training attended by the Chair of the Committee and Head of Risk in Summer 2018)
 - Debt Collection processes and management

Change of External Auditor

9. The Council has changed external auditors during the year. The former auditors KPMG have served the council since the transfer of the Audit Commission/District Audit activity to the company in 2013. The new auditors are Grant Thornton who were appointed following a competition organised by Public Sector Audit Appointments who acted as agents for this Committee and the council in their appointment.

Plans for the year 2019/20.

10. The intention is to carry on the important work of the committee in strengthening governance arrangements and ensuring that adequate arrangements exist to assure the organisation about the control of its business, considering both financial, legislative, operational and reputational risk. The Committee will also look to advise council about improvements to the operations of democratic governance and member lead processes, and monitor progress on procurement and other projects. The committee will seek to engage officers to improve the quality of response to advice from officers responsible for assurance, such as internal audit. The committee will continue its programme of training, ensuring that it is knowledgeable, effective and provides appropriate challenge to the organisation .The committee look forward to working with the next external auditors.

Cllr Carole Pattison

Cllr Kath Pinnock

Cllr John Taylor

May 2019

