

Contact Officer: Leigh Webb

**KIRKLEES COUNCIL**  
**CORPORATE GOVERNANCE AND AUDIT COMMITTEE**

**Wednesday 23 September 2020**

Present: Councillor Will Simpson (Chair)  
Councillor Martyn Bolt  
Councillor Kath Pinnock  
Councillor Steve Hall  
Councillor John Taylor  
Councillor Susan Lee-Richards

Observers: Councillor Elizabeth Smaje  
Councillor Paul Davies

Apologies: Councillor Paola Antonia Davies

**1 Membership of the Committee**

Apologies for absence were received on behalf of Councillor Paola Antonia Davies.

**2 Minutes of Previous Meeting**

That the Minutes of the previous meeting, held on 22 July 2020, be approved as a correct record.

**3 Interests**

No interests were declared.

**4 Admission of the Public**

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

**5 Deputations/Petitions**

None received.

**6 Public Question Time**

No questions were asked.

**7 Bad Debts Write Off**

The Committee received a report which set out detail of written off debt during the 2019-2020 financial year. The report advised that, overall, debts written-off totalled £5.74m; as a percentage of debt raised in the year this equated to 1.16%. The previous year 2018-19, £5.9m was written off; equivalent to 1.24% of debt raised. In percentage terms it was reported that this is an improving trend. The equivalent write-offs in 2017-18 were £5.5m and the percentage was 1.31% of debt raised. It

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was explained that whilst write off in 2019-20 were actually less compared to 2018-19, the potential true impact of income collection recoverability as a result of COVID may start to become more apparent in future years depending on how the pandemic and the impact on the economy unfolds.

The Committee were advised that the write offs for Adult Social Care debt related to the collection and recovery of adult social care charges and that the write-offs within Finance and Transactional Services mainly related to housing benefit overpayment recovery.

In terms of the Housing Revenue Account, the Committee were advised that the write off figure of £0.46m included former tenant liable costs which would be covered by set aside bad debt provision.

A summary of the schedule of debts written off during the past 12 month period, including an analysis of the reasons for write-off, was set out at Appendix A of the considered report. It was noted that, whilst the debt had been written off, the debt would continue to be pursued if there was a change in terms of the prospect for recovery.

**RESOLVED** - That the 2019-2020 bad debts write off information be received and noted.

### **8 Informing the Audit Risk Assessment for Kirklees Metropolitan Council**

The Committee received a report providing an update on the final accounts process for 2019/20. It was reported that the Council's external auditor Grant Thornton has asked that council officers complete 'Fraud, Laws and Regulation Letter to Management' which was appended to the report. In addition, the report also set out a request for the Chair of Corporate Governance and Audit to undertake a similar exercise, details of which were also appended to the report.

It was explained that External Audit will use these assurance letters to support their overall opinion on the Audited Statement of Accounts and Annual Governance Statement which will be presented to this Committee for approval on 24 November 2020.

**RESOLVED** - That the risk assessment document, 'Informing the Audit Risk Assessment' for Kirklees Metropolitan Council' be endorsed and approved for submission to Grant Thornton External Audit.

### **9 Audit Progress Report and Sector Update**

The Committee received the External Audit Finding Report, setting out progress as at 9 September 2020, submitted by Grant Thornton.

The report set out an update in respect of Covid-19 and outlined the impact on working arrangements and the accounts and audit opinion. It was reported that the revised statutory target for the 2019-2020 opinion was 30 November 2020. Information was set out providing in-depth insight into the impact of Covid-19 on financial reporting in the local government sector, including operational challenges, government support schemes and external scrutiny process.

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With regard to the Council's Housing Benefit Subsidy claim, Teacher's Pension return and Housing Pooled Capital Receipts return, it was reported that findings would be submitted to the Committee in January 2021.

During discussion of this item, Members of the Committee highlighted the vital role of the Committee in respect of financial planning in the current uncertain circumstances and highlighted the need to be flexible in terms of the potential for additional meetings.

**RESOLVED** - That the Audit Progress report and Sector Update be received and noted.

### 10 **Corporate Customer Standards Annual Report 2019-2020**

The Committee received the Corporate Customer Standards Annual report which provided an update on complaint handling for the year 2019/20; a review of the Ombudsman; Third Stage Complaints; and details of the Whistleblowing Complaints received.

The Committee was advised that the report had been informed by the Local Ombudsman Annual Report that had been published in July 2020.

The report detailed complaints statistics for Kirklees that included: the number of Ombudsman upheld complaints; the numbers of complaints received both at third stage and at Ombudsman; an overview of the factors which had impacted on the number of complaints; and whistleblowing concerns.

The Committee was also advised of the approach that the council took when dealing with serial complainers.

With regard to changes and trends since last year's report it was highlighted that there has been an increasing number of complaints about discrimination potentially as a result of the recent BLM (Black Lives Matter) protests which have further highlighted these concerns. The report acknowledged the importance of investigating such complaints so as to give assurance to the public but stated that they can be complex and lengthy complaints to consider. It was explained that it can be difficult to assure and confirm there is no unconscious bias in the system and much of the work administered by the council is based upon government legislation.

**RESOLVED** – That the Corporate Customer Standards Annual Report 2019/20 be received and noted.