

Contact Officer: Leigh Webb

KIRKLEES COUNCIL

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Friday 14 July 2023

Present: Councillor James Homewood (Chair)
Councillor Harry McCarthy
Councillor Kath Pinnock
Councillor John Taylor
Chris Jones (Independent Member)

In attendance: Martin Dearnley – Head of Internal Audit
Mathias Franklin - Head of Planning and Development
Simon Straker – Audit Manager (Virtual)
James Anderson – Head of Accountancy (Virtual)
Sean Westerby – Corporate Safety and Resilience Manager
Aaron Gouldman – Grant Thornton
Jon Roberts – Grant Thornton
Councillor Paul Davies (Ex-Officio)
Councillor Elizabeth Smaje (Ex-Officio)

Apologies: Councillor Mel Stephen
Councillor Yusra Hussain
Councillor Moses Crook (Ex-Officio)

1 Membership of the Committee

Apologies for absence were received on behalf of Councillor Mel Stephen, Councillor Yusra Hussain, and Councillor Moses Crook (Ex- Officio).

2 Minutes of Previous Meeting

RESOLVED – That the Minutes of the meeting held on 16 June 2023 be approved as a correct record.

3 Declarations of Interest

No interests were declared.

4 Admission of the Public

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

5 Deputations/Petitions

There were no deputations or petitions received.

6 Public Question Time

No questions were asked under this item.

7 Corporate Emergency Planning and Business Continuity

The Committee received a report setting out an overview of the work of the Emergency Planning Team. The report provided a snapshot of the work of the Team and was submitted in order to provide assurance to the Committee that the Council are compliant with the core duties of the Civil Contingencies Act.

Within the period April 2022 to March 2023 it was reported that 79 incidents had been responded to which included severe weather events, evacuations, utility failures and police incidents. The report outlined that 153 hazard warnings had been entered onto the Council database and also provided a breakdown of training exercises, advisory responses and educational visits undertaken by the Team. The Corporate Safety and Resilience Manager provided updates in respect of the Core Duties of the Civil Contingencies Act and reported on the work of the Team going forward.

In response to a question relating to any potential areas of weakness within Emergency Planning, the Corporate Safety and Resilience Manager explained that the report looked to align the work undertaken with the requirements of the Civil Contingencies Act and set out a proportionate approach to the risks and threats faced by the Council. It was further reported that self-audits were also undertaken against Council plans and the Act.

RESOLVED – That the Committee note the report and of the work of the Emergency Planning Team.

8. Kirklees Auditors Annual Report 2021/22 – Interim Report

The Committee received an interim Annual report from the Council's Auditors, Grant Thornton, for the year 2021/22. The report was classed as interim as it could not be finalised until the audit of accounts was completed.

The report set out a summary of the work of the Auditor's with specific regard to financial sustainability, governance and improving economy, efficiency and effectiveness of the Council. It was reported that significant weakness had been identified in respect of financial sustainability and that the work of the auditor's had identified a risk in the medium term unless prompt action is taken to rebalance the cost of services with the income that it expected to be available over the next 3-5 years. The report acknowledged that the Council's financial position had become significantly more challenging due to increased demands on services along with the impact of inflation and the cost of living crisis. A key recommendation from the Auditors was set out in the report which highlighted the requirement for Members and senior officers to recognise the severity of the Council's medium term financial outlook and take prompt action to restore a sustainable financial position. A number of associated actions to help this process were set out within the report.

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During discussion of this item Members of the Committee raised the importance of the value of more regular performance reporting and questioned the capacity of the Council to meet the financial challenge it faced. In response to the issues raised the Cabinet Member for Corporate acknowledged the importance of regular performance monitoring and reported that there was clarity at a senior level, with teams working together to actively achieve savings across Directorates. The Cabinet Member identified that building resilience rather than dependency within communities is a challenge for the Council.

RESOLVED - That the report be noted.

9. Audit Plan 2022/23

The Committee received the External Audit Report, for year end 31 March 2023, as submitted by Grant Thornton.

The report advised that the Council had set a balanced budget for 2023/24 against the backdrop of significant financial challenges in the medium term. The report noted that the Council is embarking on a transformational savings programme, requiring rigorous monitoring, which aims to restore financial balance and avoid the depletion of reserves to an unsustainable level.

With regard to the timing of the report, it was reported that the 2021-22 audit had not yet concluded due to delays in obtaining appropriate assurances from the auditor of the West Yorkshire Pension Fund with regard to the value of the Council's pension assets and liabilities at the reporting date of March 2022

RESOLVED – That the External Audit Plan, for Year end March 2023, be received and noted.

10. Draft Annual Governance Statement 2022/23

The Committee received a draft report noting the 2022/23 Draft Annual Governance Statement prior to it being signed off by the Chief Executive and Leader, and to consider whether the issues raised reflected the state of the governance and control framework during 2022/23.

The draft statement covers the period up until the 2022/23 Annual Statement of Accounts are approved, but highlighted that there may be a need for revisions to be made in the text, reflecting the findings from the external audit and anything material in the intervening period. The Statement concluded that overall the governance arrangements remained fit for purpose.

The draft statement highlighted a number of what are termed 'Significant Governance Issues'. It was reported that several of the Issues had been brought forward in one guise or another, reflecting the wide-ranging nature of the issues and action required. The report outlined that consideration has been given to a number of potential new Issues and three, most notably the very serious financial position of the Council, have been incorporated.

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The actions and controls the Council is taking were contained within a recommended Action Plan. The Audit Manager explained that since the final Statement will not be agreed until later this year, subject to the approval of this draft by this Committee, it is intended that the draft Action Plan will be the subject of internal monitoring, with reporting back to Executive Team and this Committee during the remainder of 2023/24. Any amendments made to the final version will be reflected in monitoring work should there be sufficient time to progress the action during the year.

RESOLVED - That the report be noted.

11. **Planning Scheme of Delegation (SoD) and Planning Committees (Reference to Council)**

The Committee received a report setting out proposed changes to both the Planning Scheme of Delegation (SoD) and to Planning Committee structures in Kirklees. The Head of Planning and Development reported that a review of the existing Scheme of Delegation and Planning Committee structures has been undertaken, with engagement taking place with the 3 main political groups to gain member feedback to the changes proposed. The report set out the following proposed changes:

- To update the Scheme of Delegation to revise the conditions under which applications are decided at Committee.
- To move from the current 3 committee structure to 2 planning committees each meeting every 6 weeks.
- To introduce an expectation that Ward Councillors who refer an application to committee attend in person at the meeting (or send a ward councillor colleague).
- Within the Highway and Transportation scheme of delegation in relation to Definitive Map Modification Orders (DMMO) enable Planning Committee Chairs to consider if matters do not require determination by the Planning Committee and can remain delegated to the relevant Strategic Director.

During consideration of this item, suggested amendments to the recommendations contained within the report were put forward to the wording in relation to proposed changes to the Scheme of Delegation in relation to applications for the modification of the Definitive Map and Statement under the Wildlife & Countryside Act 1981 and also to the Planning Committee Protocol set out at Appendix E.

RESOLVED

1. That the wording in the report be approved subject to the following amendments:
 - (i) 3.1 1 (v) in the main body of the report and Appendix F – Changes to the Scheme of Delegation (Strategic Director Environment and Climate Change) part A,(1) v to include the wording “*taking into account I to IV above*” in relation to applications for the modification of the Definitive Map and Statement under the Wildlife &

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- Countryside Act 1981 (or any legislation revoking or re-enacting that Act with or without modification)
- (ii) That Section 11 (57.) of the Protocol for Planning Committees, as set out at Appendix E, be updated by the removal of the wording “i.e. 3 weeks after receipt of the application”.
2. That subject to the amendments set out in (1) above, this Committee recommends Council:
- a) Approve the Scheme of Delegation to the Strategic Director Growth and Regeneration set out at Appendix A to take affect from Friday 10 November 2023.
 - b) Approve the Scheme of Delegation to Strategic Director Environment and Climate Change set out at Appendix F to take affect from Friday 10 November 2023
 - c) Approve the renaming of Strategic Planning committee as Strategic Planning Committee (Major Planning Applications), and revised Terms of Reference for the Strategic Planning committee set out in Appendix B from Friday 10 November 2023.
 - d) Notes that the membership and composition of the renamed Strategic Planning Committee remains the same (namely 7 including Chairperson).
 - d) Approve a revised Terms of Reference for the existing two planning sub-planning committees (Heavy Woollen and Huddersfield) from Friday 10 November 2023 to Friday 9 February 2024 as set out in Appendix C
 - e) Approve the disestablishment both Heavy Woollen Planning Sub-committee and Huddersfield Planning Sub-Committee from Friday 9 February 2024
 - f) Approve the establishment a new planning committee and their Terms of Reference at Appendix D - namely the District Wide Planning Committee (Minor & other planning applications). To be implemented on Friday 9 February 2024
 - g) Approve the composition of the District Wide Planning Committee (Minor and Other Planning Applications) set out at Appendix B of this report to come into effect from 9 February 2024. Namely:
 - o District Wide Planning Committee - 9 members of the Council including Chairperson (5:3:1)
 - h) A delegation to Group Business Managers to nominate membership of the District Wide Planning Committee (Minor and Other Planning Applications) which comes into effect 9 February 2024.
 - i) A delegation to the Service Director Legal, Governance and Commissioning to make consequential changes to the Constitution (including Scheme of Delegation at Appendix A and Appendix F(subject to amendment (1)(i) above), Strategic Planning Committee (Major planning applications) Terms of Reference at Appendix B, and revised Terms of Reference for Heavy Woollen and Huddersfield Planning Sub-Committees at Appendix C) as set out in this report to implement the

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recommendations to this committee and full Council in relation to this report. To come into effect 10 November 2023.

- j) A delegation to the Service Director Legal, Governance and Commissioning to make consequential changes to the Constitution (including Dis-establishment of the Heavy Woollen and Huddersfield Sub-Planning Committees, establishment of the District-Wide Planning Committee (Minor and Other planning applications) at Appendix A, D and F, and Protocols for Planning Committee at Appendix E (subject to amendment (1)(ii) above) as set out in this report to implement the recommendations to this committee and full Council in relation to this report. To come into effect from 9 February 2024.
- 3. That, subject to Council approval, an update on the workings of the new arrangements be submitted to Corporate Governance and Audit Committee following 12 to 18 months of full implementation.

(**Note:** Councillor K Pinnock requested that her vote against this decision be recorded).

12 Quarterly Report of Internal Audit Q1 2023/24 April 2023 to June 2023

The Committee received a report relating to the internal audit work in quarter 1 of 2023/24.

The report advised that Quarter 1 contained 15 pieces of completed work, of which just over half provided substantial assurance, just over a quarter adequate assurance and one fifth which led to limited assurance conclusions. The report set out a brief summary and breakdown of the work undertaken

RESOLVED –

- (i) That the Internal Audit Quarterly Report be noted and that no further action was sought on any matter identified.
- (ii) That officers present an alternative format for internal audit reporting at the next meeting of this Committee.
- (iii) That it be noted that there has been no Regulation of Investigatory Powers Act activity during the period quarter 1 2023/24.

13 Exclusion of the Public

RESOLVED – That acting under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act, as specifically state in the undermentioned minute

14 Quarterly Report of Internal Audit Q1 2023/24 April 2023 to June 2023

Exempt information within Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information (Variation) Order 2006, namely Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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The Committee noted the exempt information, which was an appendix to Agenda Item 12.