

Contact Officer: Nicola Sylvester

KIRKLEES COUNCIL

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

Friday 26th July 2024

Present: Councillor John Taylor (Chair)
Councillor James Homewood
Councillor Angela Sewell
Councillor Caroline Holt
Councillor Kath Pinnock
Councillor Imran Safdar

Co-optees Chris Jones

In attendance: Kevin Mulvaney, Service Director, Finance
Michelle Cross, Service Director, Learning Disabilities & Mental Health
Martin Dearnley, Head of Risk & Audit
David Stickley, Principal Lawyer
Laura Drew, Public Health Senior Emergency Planner
Rachel Qureshi, Audit Manager
Gareth Mills, Grant Thornton

Apologies: Councillor Bill Armer (ex-Officio)

1 Membership of the Committee

Apologies were received on behalf of Councillor Bill Armer.

2 Minutes of Previous Meeting

The minutes of the meeting held on 28th June 2024 be approved as a correct record.

3 Declaration of Interests

No Interests were declared.

4 Admission of the Public

It was noted that Agenda Item 14 and 15 would be considered in private session.

5 Deputations/Petitions

No Deputations or Petitions were received.

6 Public Question Time

No questions were asked.

7 Annual Corporate Emergency Planning and Business Continuity Report

The Committee received a report setting out an overview of the work of the Emergency Planning Team. The report provided an overview of the work of the Team and was submitted to provide assurance to the Committee that the Council were compliant with the core duties of the Civil Contingencies Act (2004) and core competencies relating to Emergency Preparedness, Resilience and Response under the Health and Social Care Act (2013).

Within the period April 2023 to March 2024, it was reported that 44 incidents had been responded to which included severe weather events, evacuations, utility failures, demonstrations and police incidents. The report outlined that 187 hazard warnings had been entered onto the Council database and provided a breakdown of training exercises, advisory responses and educational visits undertaken by the Team. The Public Health Senior Emergency Planner 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 questions relating to support on educational outdoor visits for children and the risks associated, and preparing for the unknown risks or events, the Public Health Senior Emergency Planner advised that there were private consultants that schools could interact with if they did not interact with Kirklees. There was a dynamic risk assessment process in place that monitored national best practice and made changes through dynamic risk assessment in preparation for the unknown. After each incident, a de-brief would take place with learnings taken from each incident which were added to the plans.

RESOLVED – That the Annual Corporate Emergency Planning and Business Continuity Report be noted.

8 Annual Report of Corporate Governance and Audit Committee

The Committee receive the Corporate Governance and Audit Committee Annual Report which summarised the contributions the committee made during 2023/24, demonstrating how the Committee supported the Council's governance and audit arrangements, and in doing so supported the Council to deliver the vision and priorities set out in the Council Plan.

The annual report demonstrated the work of the Council's Corporate Governance and Audit Committee on:

- How the Corporate Governance and Audit Committee fulfilled its terms of reference.
- The extent to which arrangements complied with national guidance relating to the audit Committees.

The benefits to the Council of operating an effective Audit Committee were:

- Maintaining public confidence in the objectivity and fairness of financial and other reporting.

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- Reinforcing the importance and independence of internal and external audit and any other similar review process; for example, reviewing and approving the Annual Statement of Accounts and the Annual Governance Statement, and the Quarterly Reports from Internal Audit and the Annual Report from the Head of Audit.
- Providing sharp focus on financial reporting both during the year and at year end, leading to increased confidence in the objectivity and fairness of the financial reporting process, including specific review on behalf of the Council of specialist parts of budgeting and accounting policy and practice – such as Treasury Management.
- Assisting the co-ordination of sources of assurance and, in so doing, making management more accountable.
- Providing additional assurance through a process of independent and objective review.
- Raising awareness within the Council of the need for governance, internal control and the implementation of audit recommendations.
- Monitoring of related areas such as the Council's approach to threats from fraud, bribery and corruption.
- How the Corporate Governance and Audit Committee has contributed to strengthening risk management, internal control, and governance arrangements.

The report provided additional assurance and underpinned the Annual Governance Statement, which was approved by the Committee. It was noted that the 2022/23 accounts and Value for Money work was concluded by January 2024 which was a real achievement compared to the backlog of accounts in place across the country.

It was noted that all Members brought an independent and open mind to the business of the committee and were thanked for the contributions they had made.

RESOLVED-

- 1) That the Committee noted the assurances set out in the report that the Committee complied with CIPFA's Position Statement: Audit Committees in Local Authorities and Police
- 2) That the draft annual report at Appendix A be approved and considered at Council.

9 Independent Member of the Committee

The Committee received a report to seek approval from Council to appoint a second independent member to the Corporate Governance and Audit Committee along with the term of engagement.

An independent member provided an opportunity for the Committee to benefit from additional financial skills and relevant audit and governance experience from outside the Council, and continuity of membership. A second independent member would bring greater resilience to this arrangement and enable the committee to benefit from a wider skill and experience base.

The Committee noted that a second independent member should be appointed on a period of four years, with the business sector/non-governmental organisations be

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engaged with in recruitment, and that the current independent members term of engagement should be extended to four years.

RESOLVED- That the Independent Member of the Committee Report be approved and considered at Council.

10 External Auditors Recommendations Report

The Committee received the External Auditors recommendations report which advised on progress against the recommendations made by the External Auditors, Grant Thornton following their work in 2021/2022 and 2022/2023. It was noted that many recommendations had made progress, with some completed.

In response to questions relating to recommendation following the value for money report, and savings that were to be made, it was noted that the Council was facing huge financial pressures, with a financial strategy currently being worked on and would be taken to Cabinet in September 24.

The committee felt that they needed to be assured that the process was working, and requested further details on how the process was working in practice for Items one, two and three in the report.

RESOLVED- That the External Audit Recommendations Report be noted.

11 Quarterly report of Internal Audit Q1 April - June 2024

The committee received the quarterly report of Internal Audit Q1 – June 2024.

Progress against action plans and in implementing recommendations was important in demonstrating a sound set of control arrangements and good governance.

In response to questions relating to the cost to services, especially district heating issues identified in 2020, it was noted that district heating came out of the Housing Revenue Account. The Committee suggested that an officer from the district heating service attend the next meeting to discuss service charges, along with a senior officer of the council to discuss the culture across the council in response to the financial challenges that the council faces and maximising income.

RESOLVED- That the Quarterly report of Internal Audit Q1 April – June 2024 be noted.

12 Emergency Duty Services (Adults)-Follow up

The Committee received a report on the Emergency Duty Service (Adults)-Follow up which provided an update on the recommendations made by internal audit in relation to the Councils Adults Services Emergency Duty Service.

At the Corporate Governance and Audit Committee on 10th May 2024, the Committee considered the final Quarterly Report of Internal Audit 2023/24 (January to March) and decided they were not content with the progress made in relation to one area of operation – the Emergency Duty Team of Adult Services. The Committee requested the management from the service attended a future meeting to discuss progress.

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The Committee noted exempt information presented by Michelle Cross, Service Director, Learning Disabilities & Mental Health under item 15.

RESOLVED- That the Emergency Duty Service (ADULTS)- Follow up report be noted.

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 April - June 2024

RESOLVED- That the Committee noted the exempt information, which was an appendix to Agenda item 11.

15 Emergency Duty Services (Adults)-Follow up

RESOLVED-That the Committee noted the exempt information, which was an appendix to Agenda item 12.