

Corporate Governance and Audit Committee

Thursday, 25th June, 2015

PRESENT: Councillor G Hussain in the Chair
Councillors J Bentley, P Harrand, K Bruce,
N Dawson, A Sobel and J Illingworth

Apologies Councillors P Grahame, R Wood and
A McKenna

1 Appeals Against Refusal of Inspection of Documents

There were no appeals against the refusal of inspection of documents.

2 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

3 Late Items

There were no resolutions to exclude the public.

4 Declaration of Disclosable Pecuniary and Other Interests'

No declarations were made.

5 Apologies

Apologies for absence were received from Councillors A McKenna, P Grahame and R Wood.

6 Minutes - 20th March 2015

RESOLVED – The minutes of the meeting held on 20th March 2015 were approved as a correct record.

7 Matters Arising

Minute No 54. Leeds City Council Fraud Briefing

Members noted that the Head of Governance Services had, on behalf of the Committee, written to KPMG about their non-attendance at the meeting held on 20th March 2015 and that a response had been received from KPMG.

Draft minutes to be approved at the meeting
to be held on Thursday, 9th July, 2015

Members felt that as a principal client of KPMG priority should have been given to attending the March meeting of the Committee and not the internal training session referred to by KPMG in their response.

RESOLVED – The Committee resolved to request that the Head of Governance Services pass on their views to the Director of KPMG in Leeds.

8 Leeds City Region Joint Committee Annual Financial Return and Annual Governance Statement 2014/15

The Deputy Chief Executive submitted a report which accompanied the 2014/15 Annual Accounting Statement and Annual Governance Statement for Leeds City Region Leaders Board Joint Committee.

The report explained why the responsibility of approving these statements has fallen to this Committee and outlined what assurances the committee could rely on in approving the statements.

Members discussed the report in detail. Specifically Members asked about the reasons behind the increase in staffing costs from 2014 to 2015. Members were informed that in part this was down to the move to becoming the West Yorkshire Combined Authority (WYCA) which was a growing organisation with more responsibility. Further detailed information was requested to be circulated to the Committee.

The Committee considered the reasons behind the need for £464k being held in the general reserve fund and where this would be transferred to now that the Leeds City Region Leaders Board Joint Committee was being dissolved. It was confirmed to Members that this fund would be transferred to the WYCA.

Members queried the reasoning for the accounts being drafted on the basis of a smaller body and received assurances from officers about this. On the basis of the assurances received the Committee confirmed they were happy for the Chair of the Committee to sign the accounts.

RESOLVED – The Committee resolved to:

- (a) Approve the Leeds City Region Leaders Board Joint Committee draft 2014/15 Accounting Statement and the Chair to acknowledge approval on behalf of the Committee by signing the appropriate section;
- (b) Confirm that they have received and accepted the Declaration on Governance Arrangements for 2014/15 which has been provided by the Chair and the responsible officers of the Leeds City Region leaders Board Joint Committee, and the Chair to acknowledge this on behalf of the Committee by signing the abbreviated Annual Governance Statement; and
- (c) Request a detailed breakdown of the reasons behind the increase in staffing costs from 2014 to 2015.

9 Office of the Director of Public Health Annual Governance Report

The Director of Public Health presented his report which provided the Committee with the annual update on Public Health's risk management and governance arrangements.

Members discussed the reasons behind being able to achieve better value for money as part of Leeds City Council compared to when services were run by the NHS. The Director of Public Health stated that this was in part due to now having a one service approach which had made different services work together.

The risks to the Public Health budget were considered by the Committee, in particular the implementation of the requirements from the National Institute of Care and Health Excellence (NICE). A further risk identified was the proposed cut to Public Health funding by Central Government, the formula for which is yet to be determined.

Members noted the money that had been saved through commissioning and were informed that this had been committed for the 2015/16 budget.

Members discussed how the reporting regime at the NHS compared to that at Leeds City Council with the Director of Public Health.

RESOLVED – The Committee resolved to:

- (a) Receive the annual governance report of the Office of the Director of Public Health; and
- (b) Note the assurance processes that the Office of the Director of Public Health.

10 Financial Management Arrangements in the Planning and Sustainable Development Service

The Head of Finance (Strategy and Resources) presented a report of The Chief Planning Officer which set out the financial management arrangements in the Planning and Sustainable Development Service and aimed to provide assurance to Members that the arrangements are fit for purpose, embedded and being complied with.

Members discussed the scrutiny of planning decisions and noted that these could not be "called in" for consideration by a Scrutiny Board. Members noted that the Joint Plans Panel gives consideration to how the Planning Services is provided.

Members considered the financial information received and commented that income for 2014/15 was less than in 2013/14. The Head of Finance (Strategy and Resources) informed the Committee that there had been a dramatic increase in income in 2013/14 and that this had levelled off in 2014/15.

Members queried why staffing costs had increased. This was explained as being due to planning staff leaving and the associated severance costs and also the 1% pay rise received by staff. Members requested further details in relation to the increase in staffing costs be circulated before the next meeting.

RESOLVED - The Committee resolved to:

- (a) Request a breakdown of the costs of staffing the Planning Service.
- (b) note the assurances provided that the appropriate systems and procedures are in place to ensure that the Council delivers sound financial management and planning.

11 Annual Business Continuity Report: Phase 2 Progress Update

The Business Continuity Manager presented a report of the Deputy Chief Executive which provided an update of current progress towards completion of Phase 2 by the target date of September 2015 as requested by the Committee at the March 2015 meeting.

Members considered that it would be helpful if the Committee highlighted the importance of completing Phase 2 plans to the Corporate Leadership Team.

Members discussed what the biggest risks to the City were with the Business Continuity Manager.

It was confirmed to the Committee that despite Phase 2 plans not yet being completed that Leeds City Council was compliant with the Civil Contingencies Act 2004.

RESOLVED – the Committee resolved to:

- (a) Request that the Head of Governance Services write to The Chief Officer (Strategy and Improvement) to highlight the Committee's wishes to see all Phase 2 Plans completed by September 1st 2015; and
- (b) to note the progress made to date with completion of Phase 2, and that the target completion date of September 2015 currently remains achievable.

12 Work Programme

The City Solicitor submitted a report which notified the Committee of the draft 2015/16 work programme.

It was commented that Leeds City Council could improve its engagement with citizens via mapped based technology. The Head of Governance Services commented that a request for a report on this subject might be more appropriate to a Scrutiny Board and agreed to make contact with the Head of Scrutiny and Member Development to discuss this.

RESOLVED – The Committee resolved to:

- (a) Request The Head of Governance Services to make contact with the Head of Scrutiny and Member Management to identify the possibility of a Scrutiny review looking into ways in which Leeds City Council could improve its mapping service for its citizens; and
- (b) Note the contents of the work programme attached at Appendix 1 of the submitted report.