

Corporate Governance and Audit Committee

Wednesday, 30th June, 2010

PRESENT: Councillor G Driver in the Chair
Councillors N Taggart, G Kirkland, A Lowe, Tollefson, S Smith, P Harrand, J Lewis, T Hanley and T Leadley (as substitute for J Elliot)

Co-optee G Tollefson

Apologies Councillors P Grahame, C Campbell, J Elliott and W Hyde

14 Appeals Against Refusal of Inspection of Documents

There were no appeals against refusal of inspection of documents.

15 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

16 Late Items

In accordance with his powers under Section 100 B (4) (b) of the Local Government Act 1972, the Chair admitted to the agenda the minutes of the previous meeting which was held on 23rd June 2010.

The late item was admitted to ensure that the minutes of the last meeting were approved by the Committee and be published as approved minutes.

17 Declaration of Interests

Councillor Driver declared a personal interest in Agenda item 7 (Minute 17) as a Member of Aire Valley Homes ALMO and as a Member of West Yorkshire Pension Fund.

Councillor Lowe declared a personal interest in Agenda item 7 (Minute 17) as a Member of West North West Homes ALMO and as a Member of West Yorkshire Pension Fund.

Councillor Lewis declared a personal interest in Agenda item 7 (Minute 17) as a Member of the West Yorkshire Integrated Transport Authority and as a Member of West Yorkshire Pension Fund.

Councillor Hanley declared a personal interest in Agenda item 7 (Minute 17) as a Member of the West Yorkshire Pension Fund.

18 Apologies for absence

Apologies were received from Councillors; C Campbell, W Hyde and P Grahame.

19 Minutes of the Previous Meeting 23 June 2010

RESOLVED - that, with the addition of Councillor Hanley as an attendee (which had not been correctly recorded) the minutes of the Corporate Governance and Audit Committee meeting held on 23rd June 2010 be approved as a correct record.

20 The Statement of Accounts 2009/10

The Principal Financial Manager (Resources) presented a report of the Director of Resources which introduced the 2009/10 Statement of Accounts for Leeds City Council for approval.

Members discussed the Statement of Accounts in detail and, in view of the absence of a KPMG representative, robustly challenged the Principal Financial Manager (Resources) on the following areas of the Statement of Accounts:

- the increase in debt and the reasons behind this;
- the situation with regards to pensions and how deficits will be managed in the future;
- the calculations behind the actuarial assumptions;
- the relevance of the cash flow statement and its meaning within the accounts of the Council;
- the workings of treasury management; and
- the Balance Sheet, specifically:
 - the creditors figure and how quickly the Council pays its creditors; and
 - what the General Fund Reserve Fund is used for and why it is needed.

RESOLVED – The Committee resolved to:

- approve the 2009/10 Statement of Accounts; and
- agree that the Chair acknowledge approval on behalf of the Committee by signing the appropriate section within the Statement of Responsibilities on page 1 of the accounts.

21 Decision Making Arrangements in Licensing

Assistant Chief Executive (Corporate Governance) presented a report which set out the arrangements in respect of decision-making in entertainment, alcohol and gaming licensing: and Taxi and Private Hire Licensing.

Members raised concerns on the licensing of scrap metal dealers and the need for monitoring of these businesses in light of the levels of theft relating to metal. Members also sought assurance that where external solicitors are used in cases of settlement that the Council's solicitors have the final say on the level of settlement made.

RESOLVED – The Committee resolved to:

- note the report; and
- request that the Assistant Chief Executive (Corporate Governance) provide Members with information regarding the monitoring of scrap metal dealers.

22 Annual Governance Statement

The Head of Governance Services presented a report of the Assistant Chief Executive (Corporate Governance) which provided an introduction and commentary to the Council's interim Annual Governance Statement for 2010.

Members discussed the need to maximise the benefits of the control environment the Council has in place and that progress made against this should be recorded.

Members also highlighted the need for more detail to be included in the Annual Performance Assessment of Adult Social Care.

RESOLVED – The Committee resolved to:

- approve the interim Annual Governance Statement in order that it can be included within the annual accounts; and
- note the Annual Governance Statement will be updated to include more detail in respect of the Annual Performance Assessment of Adult Social Care and the Annual Letter from the Local Government Ombudsman; and
- that the final version be presented to the Committee for final approval at the meeting to be held on 29th September 2010.

23 Annual Monitoring of Key and Major Decisions

The Head of Governance Services presented a report of the Assistant Chief Executive (Corporate Governance) which provided an annual review as requested at its meeting in February 2010 in respect of monitoring of Key and

Major decisions notified to Democratic Services during the financial year 2009/10.

Members commented on the good progress made with regards to the administration of Key and Major decisions notified to Democratic Services.

RESOLVED – The Committee resolved to:

- note the percentage of eligible decisions available for Call-In during the period 1 April 2009 and 31 March 2010 as detailed in appendix 1 of this report;
- note the percentage of Key Decisions that did not appear in the Forward Plan of Key Decisions during the period 1 April 2009 and 31 March 2010 as detailed in appendix 1 of this report;
- note the details of the Key Decision taken under Special Urgency provisions;
- note the further work to be undertaken in respect of financial commitments over £100,000; and
- note the assurances provided by the Head of Governance Services in this report.

24 Standards Committee Annual Report 2009/10

The Chair of The Standards Committee presented a report of the Assistant Chief Executive (Corporate Governance) which informed the Committee of the work undertaken by the Standards Committee during 2009/10. In presenting the report the Chair paid tribute to the officers who have supported the committee during the year.

In addition the Chair of the Standards Committee made reference to the Coalition Government's announcements with regard to "abolishing the Standards Board for England regime " and that further announcements were awaited with regard to the Members Code of Conduct and standards matters more generally.

The Committee acknowledged that some form of independent oversight of standards is likely to continue, albeit determined at a local level, in order to give confidence to the public, particularly following events in Westminster, about standards in public life.

RESOLVED – The Committee resolved to note the Standards Committee Annual Report 2009/10.

25 Assurance Framework

The Chief Officer (Audit and Risk) presented his report which explained the basis of the Internal Control Assurance Framework, the benefits of having such a framework and the effect this may have on influencing the work programme of the Corporate Governance and Audit Committee.

Members discussed the importance that the future work of the Committee is focussed on areas where it can be most effective.

Members raised concerns about the 2009/10 budget overspends and the recent problems in Children's Services which occurred despite the good control environment at the Council.

RESOLVED - The Committee resolved to request officers to bring forward a revised work programme for the Committee based on the views expressed by Members in considering the assurance framework.

(Councillor Taggart entered the meeting at 10.16 during the discussion of this item and Councillor Smith entered the meeting at 10.30 during the discussion of this item)

26 Work Programme

The Assistant Chief Executive (Corporate Governance) submitted a report notifying Members of the draft work programme for 2010/11.

Members commented that the work programme will be amended and reviewed when further information has been received from Officers as discussed in item 14 (Minute 25).

RESOLVED – Members resolved to note the contents of the draft work programme for the remainder of the year.