

Corporate Governance and Audit Committee

Monday, 18th April, 2011

PRESENT: Councillor G Driver in the Chair
Councillors C Campbell, G Kirkland,
A Lowe, J Elliott, P Harrand, W Hyde,
J Lewis and T Hanley

Co-optee G Tollefson

Apologies Councillors P Grahame, N Taggart and
S Smith

116 Appeals Against Refusal of Inspection of Documents

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

117 Exempt Information - Possible Exclusion of the Press and Public

There were no resolutions to exclude the public.

118 Late Items

There were no late items submitted to the agenda for consideration excepting an updated version of the KPMG Report - Value for Money Audit Approach 2010/11 (see Agenda item 7.)

119 Declaration of Interests

There were no declarations of interest made.

120 Apologies for Absence

Apologies for absence were received for Councillors N Taggart, P Grahame and S Smith.

121 Minutes of the Previous Meeting

The minutes of the Corporate Governance and Audit Committee meeting held on 21st March 2011 were approved as a correct record.

122 Matters Arising

The Head of Governance Services informed the Committee, in relation to Minute 110, from 21st March 2011, Minutes of the Standards Committee, and the request for further information on any outstanding actions following the Ethical Audits in 2006 and 2007, that there are no other outstanding actions to be completed.

123 KPMG report - Value For Money Audit approach 2010/11

The Chief Officer Financial Management presented a report of the Director of Resources informing the Committee of KPMG's approach for the audit of the Council's Value for Money arrangements. The updated KPMG report, circulated after the despatch of the final agenda, highlighted the risk based approach to the audit and the main risks they have identified for 2010/11. The significant risks identified by KPMG are 'managing for less', the early leavers initiative and waste management.

Steve Clarke and Sam Bradford from KPMG were also in attendance.

Members discussed the need to ensure that the work carried out by KPMG as our external auditor complemented the Council's engagement with the future direction of public sector audit. Members also questioned the KPMG representatives in relation to:

- the work KPMG will undertake on the Early Leavers Initiative, particularly as in excess of two thirds of the target 1500 staff reduction by the end of 2011/12 have already left the employment of the council by 31/03/11; and
- the omission of references to the very specific demand led challenges relating to Adult Social Care and Children's Services.

RESOLVED – The Committee resolved to note the external audit approach to assessing the Council's arrangements for securing value for money.

(Councillor Campbell entered the meeting at 10:14 am during the discussion of this item)

124 Value For Money Arrangements

The Chief Officer (Audit and Risk) presented a report updating the Committee on progress that has been made in ensuring that the Council delivers value for money. The report also provided an assurance about the value for money arrangements at the Council and highlighted key activities where further progress could be made.

Members of the Committee discussed the report in detail, particularly considering the definition of value for money and how best this can be achieved by the Council. Discussion also took place in relation to economy,

efficiency, and effectiveness of using in-house services and procuring venue hire external to the council.

Members also discussed the procurement process as a key area for achieving value for money.

RESOLVED – The Committee resolved to;

- note the assurance that the Council has sound arrangements for securing value for money; and
- request future case studies looking into value for money of the hire of venues and procurement of goods and services.

125 The Accounts & Audit (England) Regulations 2011.

The Chief Officer (Audit and Risk) presented a report of the Director of Resources. The report updated Members on the main changes to the Accounts and Audit Regulations 2011 following the consultation exercise reported to the Committee on 14th February 2011.

RESOLVED – The Committee resolved to note the new Accounts and Audit Regulations 2011.

126 Leeds Initiative Partnership and City Planning

The Head of Leeds Initiative and International Partnerships presented a report of the Assistant Chief Executive (Planning, Policy and Improvement). The report updated the Committee on progress made with the review of the Leeds Initiative Partnership arrangements and the associated planning and performance management arrangements in the City.

Members discussed the report in detail particularly focusing on the membership of the Leeds Initiative Board and that this should be reviewed to consider both the representation of the smaller political parties and also an increase in private sector representation, specifically the financial services sector upon which the Leeds economy greatly depends. Members also highlighted the need for more strategic thinking specifically around how the partnerships will help benefit both local communities and the city as a whole.

RESOLVED – The Committee resolved to:

- note the contents of the report; and
- request a report further to update the Committee on progress made.

127 Report Writing Guidance

The Head of Governance Services presented a report of the Director of Resources. The report sought comments from the Committee on the revised report writing guidance and template, attached at Appendix 1 of the report. It

was proposed that the revised guidance and template come into effect from the start of the 2011/12 municipal year.

Members noted an excellent paper and considered that the new template would be of benefit to the Council.

As a result of deliberations of the Committee the Head of Governance Services undertook to;

- Strengthen references to Value for Money considerations into the report writing guidance;
- emphasise the need for reports to incorporate a short précis in the forthcoming briefing sessions; and
- report back to the committee on the introduction of the new arrangements.

RESOLVED – The Committee Resolved to note the contents of the report and the undertakings given by the Head of Governance Services.

128 Work Programme

The Director of Resources submitted a report notifying Members of the draft work programme.

The Committee reviewed its forthcoming work programme and noted that the next meeting of the Committee would be on June 15th 2011.

The Chair of the Committee thanked Members and officers for their hard work during throughout the 2010/11 municipal year.

RESOLVED – The Committee resolved to note the draft work programme.