

**MINUTES OF THE MEETING OF THE
GOVERNANCE AND AUDIT COMMITTEE
HELD ON WEDNESDAY, 6 APRIL 2022 AT LARGE MEETING ROOM,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Debbie Simpson (Chair)
Councillor Jane Scullion (Substitute)
Councillor Matthew Robinson
Joanna Wardman

Independent Member
Calderdale Council
Leeds City Council
Independent Member

In attendance:

Mark Dalton
Mark Outterside
Bronwyn Baker
Katie Hurrell
Lorna Jones
Angela Taylor
Ben Kearns

Mazars
Mazars
West Yorkshire Combined Authority
West Yorkshire Combined Authority
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1. Apologies for Absence

Apologies were received from Councillor Pandor, Councillor Swift, and Councillor Hinchliffe.

2. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

3. Exclusion of the Press and Public

There were no items that required the exclusion of the press and public.

4. Minutes of the Meeting of the Governance and Audit Committee held on 30 September

Resolved: That the minutes of the meeting held on 10 March be approved.

5. Notes of the Meeting of the Governance and Audit held on 13 January

Resolved: That the notes of the meeting 13 January be noted.

6. Treasury Management

Members considered a report that outlined the Combined Authority's treasury management arrangements.

Members received a presentation from the treasury management team at Leeds City Council and had the following questions:

Members asked if a summary of the quarterly meetings between Leeds and Combined Authority officers about treasury management could be provided to the Governance and Audit Committee.

Resolved: That the presentation be noted.

7. Internal Audit Progress Report

Members considered a report that set out progress against delivery of the current 2021/22 audit plan.

The Committee discussed recruitment challenges to internal audit with three roles out to recruitment work was underway with HR to look at alternatives including temporary resource while recruitment was ongoing.

The Committee noted the completed audit reports since the last meeting and discussed the limited assurance given on contract management relating to bus shelter repairs. Members discussed the recommendations and mitigations following the audit.

Members considered the update on AEB audit and the impact of recruitment challenges on the work. Members recognised that a lot of good work had gone into developing systems ready for the first year delivery of AEB but these systems now need to be implemented robustly.

Members discussed the Audit follow-up table and the outstanding item relating to contract management from a report in February 2020. It was considered it would be better if an extra column could be included to provide more context to mitigations that are in progress.

Resolved: That the report be noted.

8. Internal Audit Plan

Members considered a report that set out the draft internal audit plan for 2022/23 for consideration and approval.

It was noted that the plan had been developed to keep focus on the management of contracts, projects and procurement, new business development as well as the Adult Education Budget and Mass Transit.

Members were supportive of the proposed internal audit plan and asked about how audits were prioritised through the year. Members were informed that there would ongoing re-prioritisation if the level of risk changed throughout the year. Members asked if any prioritisation could be linked to the risk register so Members could better understand the driver for adapted the plan were it to be necessary.

Resolved: That the internal audit plan for 2022/23 be approved.

9. External Audit Progress Report

Members considered a report which provided an update on external audit matters.

Members noted that further instruction from government relating to the 2020/21 final accounts was still awaited and that the recommendation to join the PSAA arrangements had been approved by the Combined Authority.

The approach to the 2021/22 was discussed and changes to the timetable outlined. Work on the audit would not begin until December reflecting backlog of public sector audits as well as the increasing complexity of the Combined Authority audit. The delayed audit would mean that the Combined Authority audit would get the attention and quality of resources necessary.

Resolved: That the external audit activity be noted.

10. Compliance and Monitoring

Members considered a report provided an update on internal controls since the last meeting of the Committee

There had been no changes to internal controls and no RIDDOR incidents. It was noted that the year-end financial position would be brought to the next meeting of the Committee. Members discussed the complexities of next year's budget.

Members asked for the assumptions behind the budget to be outlined, especially around the funding uncertainties and reduced external funding

Resolved: That the report be noted.

11. Risk Management

Members considered a report which provided an update on the corporate risk arrangements.

The strategic risks as at January 2022 are set out in appendix 1 to the submitted report.

The report contained an update on the recruitment process and the risk associated with recruitment challenges and ways in which the Combined Authority could present itself to improve its recruitment.

Resolved: That the update on the review of the Corporate Risk Register be noted