

**MINUTES OF THE MEETING OF THE
GOVERNANCE AND AUDIT COMMITTEE
HELD ON THURSDAY, 12 JANUARY 2023 AT COMMITTEE ROOM 1,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Debbie Simpson (Chair)
Councillor Matthew Robinson
Councillor Cathy Scott (Substitute)
Councillor Jane Scullion (Substitute)

Independent Member
Leeds City Council
Kirklees Council
Calderdale Council

In attendance:

Mark Dalton
Melanie Corcoran
Angela Taylor
Bronwyn Baker
James Nutter
Craig Taylor
Ben Kearns

Mazars Auditors
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority
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37. Apologies for Absence

Apologies had been received from Cllr Hinchcliffe, Cllr Pandor, Cllr Swift and Joanna Wardman.

38. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

39. Exclusion of the Press and Public

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

40. Minutes of the Meeting of the Governance and Audit Committee held on 13 October

Resolved: That the minutes of the last meeting be approved.

41. Internal Audit Progress Report

Members considered a report that set out progress against the internal audit plan for 2022/23.

Members noted that recruitment continued to be problematic with two vacancies unfilled, but officers remained optimistic that the plan would be delivered in time for the 22/23 audit opinion.

A minimal assurance rating was provided for financial controls in Transport and Property services, but members were reassured that all recommendations had been accepted by management and a programme of responses was underway. An update would be brought to the committee at a future meeting to provide further assurance that mitigations had been put in place.

Members noted that one whistleblowing referral had been received in 2022/23 and was being investigated. An update would be brought back to the Committee upon the conclusion of the investigation.

Members asked whether, considering staffing shortages, conversations were being had with directorates about re- prioritising audits. Officers reported that any changes to the plan would be brought back to the Committee, but none had been made at this stage.

Resolved: That the report be noted.

42. Internal Audit Draft Plan 2023-24

Members considered a report that set out the Internal Audit Draft Plan for 2023/24 for comment. The plan had been designed with a risk based approach in mind, with reference to corporate and directorate risk registers, business plans for 23/24, the CIIA Risk in Focus 2023 report. Conversations with Directors would be undertaken, and the plan would be brought back at a future meeting.

Members were pleased to see the assurance mapping on the draft plan and discussed the cybersecurity and ICT audits and the challenges around that audit and the mapping required to ensure that cybersecurity was looked at holistically. It was noted that the audit specialism bought in would approach the audit with that in mind.

Resolved: That the report be noted.

43. External Audit Progress Report

The Committee considered a report that provided an update on external audit matters.

Members noted that PSAA had confirmed that Mazars had been appointed as the external auditor for the Combined Authority for the next five years. Confirmation had been received that the 2020/21 Whole of Government Accounts submission was below the National Audit Office's threshold so the work could now be completed.

On the 2021/22 audit, members noted that work had begun and an update would be brought to the next meeting of the Committee.

Resolved: That the report be noted.

44. Treasury Management

The Committee considered a report that set out the Treasury Management Statement and Strategy.

Resolved: That the position on treasury management and the treasury management statement be noted.

45. Compliance and Monitoring

Members considered a report that 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.

Members noted the work underway on the budget and the actions being undertaken to adjust capital schemes in response to inflationary pressures.

Resolved: That the report be noted

46. Risk Management Strategy

The Committee considered an update on the corporate risk management strategy.

Members discussed the risk register entry for the Combined Authority's climate change target and the safety and security risk. Members noted that capital programmes had been reviewed with strategic fit in mind which includes environmental sustainability. The phase one plan had been brought to the Climate and Environment Committee which would form the basis for the net zero interventions.

Members asked for more information to be brought to a future meeting on the risk associated with environmental risks.

Members discussed the risk around the lack of progress in signing off funding agreements.

Resolved: That the report be noted.

47. Assurance Framework Annual Review

The Committee considered a report which set out the progress on the annual review of the Assurance Framework.

Resolved: That the report be noted.