

**MINUTES OF THE MEETING OF THE GOVERNANCE AND AUDIT
COMMITTEE HELD ON THURSDAY, 18 MARCH 2021**

Present:

Joanna Wardman	Independent Member
Councillor Shabir Pandor	Kirklees Council
Councillor Jane Scullion (Substitute)	Calderdale Council
Councillor Steven Leigh MBE	Calderdale Council

In attendance:

Angela Taylor	West Yorkshire Combined Authority
Bronwyn Baker	West Yorkshire Combined Authority
Jonathan Sheard	West Yorkshire Combined Authority
Ben Kearns	West Yorkshire Combined Authority

31. Apologies for Absence

Apologies for absence were received from Councillor Hinchcliffe and Councillor Swift.

32. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

33. Exclusion of the Press and Public

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

34. Minutes of the Meeting of the Governance and Audit Committee held on 14 January

Resolved: That the minutes of the meeting held on 14 January be approved.

35. Internal Audit Progress Report

The Committee considered a report that provided an update on progress against delivery on the internal audit plan 2020/21 and set out the audit plan for the year 2021/22.

The Committee noted the top three risks as identified by internal audit: readiness for the elections in May, Covid recovery, and the transfer of Police

and Crime Commissioner functions.

Members asked for a review of the base assumptions underpinning the climate emergency policies and further assurance from internal audit would be helpful to ensure that the Combined Authority is able to meet its targets.

Members also asked for assurance around the impact of social distancing measures at polling stations at the upcoming elections; particularly around when the polling stations close to avoid anyone from being disenfranchised. Officers would take this concern back to the electoral teams who were currently carrying out a risk assessment.

Resolved:

- (i) That the internal audit progress to date be noted.
- (ii) That the internal audit plan for 2021/22 be approved.

36. External Audit Progress Report

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

Members questioned the materiality assigned and whether it should be lower. It was noted that the 2% of gross expenditure was a standard sectoral approach to audits of this type. Several audit items would be tested below the 2% materiality level and any errors found through this testing would be reported to the Committee.

The possible changes to the audit fees were noted and the likelihood that these fees to increase and would be reported to the next meeting of the Committee. This was in line with a national approach as Government has recognised the increase pressures on auditors.

Members noted the new code of audit practice for 2020/21. The main changes included a move away from a binary audit conclusion and replaced by an annual narrative commentary in relation to value for money arrangements. The code meant that any concerns would be raised as and when they were identified.

Resolved: That the report be noted.

37. Compliance and Monitoring

The Committee considered a report which set out any changes to arrangements for internal controls since the last meeting as well as the financial positions for 2020/21 and 2021/22.

There had been no significant changes or breaches in the arrangements for internal controls and no RIDDOR incidents in the period.

The treasury management strategy had been approved at the February

Combined Authority meeting and any concerns would be reported to the Governance and Audit Committee.

A balanced budget for the current year had been approved and work was underway to achieve that for the forthcoming year.

Resolved: That the report be noted.

38. Mayoral Combined Authority Preparations - Governance

The Committee considered a report that provided an update on the progress of the decision making and committee arrangement workstream of the Mayoral Combined Authority Ready Programme Board.

A formal constitution was in development to codify the governance arrangements for the Mayoral Combined Authority.

Members wished to thank officers for their work on the governance aspect of the Mayoral Combined Authority work.

Resolved: That the report be noted.

39. PCC Governance Arrangements

The Committee considered a report which outlined future arrangements for governance with regard to the Police and Crime Commissioner functions.

The Joint Independent Audit and Ethics Committee would continue to oversee the effective operation of the police and crime commissioner functions. It would be important to ensure that the reporting arrangements between the Joint Independent Audit and Ethics Committee and the Governance and Audit Committee were clear.

Work was underway to put in place a Service Level Agreement with WYP for the internal audit work that may be required to be undertaken in relation to the Mayor's PCC functions.

Resolved: That the report be noted.

40. Ethical Standards for MCA

The Committee considered a report which set out the draft Members' Code of Conduct.

Resolved: That the Code of Conduct be recommended to the Combined Authority to approval.