

**MINUTES OF THE MEETING OF THE  
GOVERNANCE AND AUDIT COMMITTEE  
HELD ON THURSDAY, 3 AUGUST 2017 AT COMMITTEE ROOM B -  
WELLINGTON HOUSE, LEEDS**

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**Present:**

Professor Bob Cryan CBE (Chair)  
Councillor Tim Swift  
Andy Clayton

University of Huddersfield (to minute 7)  
Calderdale Council (to minute 7)  
Department for Work and Pensions

**In attendance:**

Steve Appleton  
Mark Kirkham  
Angela Taylor  
Russell Gott  
Ruth Chaplin

Mazars Auditors  
Mazars Auditors  
WYCA  
WYCA  
WYCA

**1. Appointment of Chair**

In the absence of Roger Marsh it was agreed that Professor Bob Cryan chair the meeting.

**2. Apologies for Absence**

Apologies for absence were received from Roger Marsh and Councillors Andrew Carter and David Sheard.

**3. Declarations of Disclosable Pecuniary Interests**

There were no pecuniary interests declared by members at the meeting.

**4. Exclusion of the Press and Public**

There were no items on the agenda requiring exclusion of the press and public.

**5. Approval of Annual Accounts 2016-17**

The Committee considered the Annual Accounts for 2016/17 for the West Yorkshire Combined Authority (WYCA).

It was reported that WYCA's external auditors, Mazars, have completed their audit work on the Annual Accounts 2016/17 which were attached at Appendix 1. Their conclusions were set out in the Audit Completion Report which was attached at Appendix 3.

Members considered the information and Mark Kirkham and Steve Appleton of Mazars provided an overview of the work involved in their audit of the accounts, together with a summary of key findings. They advised members that they would be issuing an unqualified audit opinion on the financial statements and on the value for money conclusion.

The unadjusted misstatement set out in Appendix A of Mazars' report was considered and it was agreed by all to accept the misstatement. This has no effect on the remits for the year and the auditors confirmed the audit opinion would remain unqualified.

Members were informed that as part of the audit process the auditors required a representation letter providing assurance that WYCA had provided all necessary information and disclosures to the auditors. The wording for this was within Mazars' report and it was noted that the Director, Resources would provide a signed copy of this to them.

It was noted that Mazars would issue an audit completion notice by the statutory date of 30 September 2017 following completion of the Whole of Government Accounts.

The Committee considered the Treasury Management Statement in Appendix 2 of the report and noted that there were no changes proposed to the treasury management arrangements at this stage.

**Resolved:**

- (i) That the Treasury Management Statement in Appendix 2 be recommended for approval.
- (ii) That Mazars' audit completion report be noted.
- (iii) That the Annual Accounts for the year ended 31 March 2017 be approved.

**6. Review of Internal Control and Effectiveness of Internal Audit**

The Committee considered a report on the outcome of a review of internal control and the effectiveness of internal audit.

It was reported that there was a requirement for the Authority to review the effectiveness of its internal audit function at least once a year and that the findings of the review must be considered as part of the system of internal control.

The Committee was advised that the Director, Resources had undertaken a review of Internal Audit, using the Public Sector Internal Audit Standards (PSIAS) checklist and the information in the Internal Audit Report. The overall conclusion was that the internal audit function complied with the necessary standards and had worked to an adequate standard throughout the year.

**Resolved:** That the outcome of the review of internal control and the effectiveness of internal audit be approved.

## **7. Annual Internal Audit Report and Opinion**

The Committee considered a report which provided notice of the Annual Internal Audit Report and Opinion of the risk management, governance and control environment in operation during 2016/17.

A copy of the Annual Internal Audit Report and Opinion for 2016/17 was attached at Appendix 1. This listed all the internal audit assignments undertaken during the year and it was noted that whilst a number were classified as 'requires improvement', this had not precluded a positive overall opinion on the operating environment.

Members discussed ways in which internal audit reports could be mapped against strategic risks to understand how they contributed to the overall audit opinion for the year.

Members also discussed risk management and areas where improvements could be made. In noting the Annual Internal Audit Report and Opinion it was agreed that risk management arrangements would be considered in more detail at the next meeting.

### **Resolved:**

- (i) That the Annual Internal Audit Report and Opinion be noted.
- (ii) That a report on risk management arrangements be brought to the next meeting.

**The meeting was closed due to becoming inquorate. The following items were therefore deferred to the next scheduled meeting.**

## **8. Minutes of the Meeting of the Governance and Audit Committee held on 6 April 2017**

Item deferred to the next meeting.

**9. Appointment of Deputy Chair**

Item deferred to the next meeting.

**10. Terms of Reference and Forward Plan of Work 2017-18**

Item deferred to the next meeting.

**11. Internal Audit Progress Report**

Item deferred to the next meeting.

**12. External Audit Update**

Item deferred to the next meeting.

**13. Internal Controls & Financial Monitoring**

Item deferred to the next meeting.