

GOVERNANCE AND AUDIT COMMITTEE

MINUTES of a meeting of the Governance and Audit Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 1 December 2009.

PRESENT: Mr R L H Long, TD (Chairman), Mr M V Snelling (Vice-Chairman), Mr A R Chell, Mr K A Ferrin, MBE, Mr C Hibberd, Mr D A Hirst, Mr P W A Lake, Mr T Prater, Mr R Tolputt, Mr C T Wells and Mr S Manion (Substitute) (Substitute for Mr B R Cope)

ALSO PRESENT: Mr J D Simmonds and Miss S J Carey

OFFICERS: Ms L McMullan (Director of Finance), Mr N Vickers (Head of Financial Services), Mr G Ward (Director Resources), Mr D Tonks (Head of Internal Audit), Mrs J Armstrong (Senior Audit Manager), Ms J Hill (Performance Manager), Ms T Gailey (Public Health Policy Manager) and Mr A Tait (Democratic Services Officer)

ALSO IN ATTENDANCE: Mr D Wells, Mr Grahame Brown and Mr Gordon Brown of the Audit Commission.

UNRESTRICTED ITEMS

42. Membership

(Item 1)

The Committee noted that Mr B R Cope had replaced Mr R W Bayford as a Member of the Committee.

43. Minutes - 16 September 2009

(Item 4)

RESOLVED that the Minutes of the meeting held on 16 September 2009 are correctly recorded and that they be signed by the Chairman.

44. Draft Annual Work Plan

(Item 5)

(1) The Committee agreed that the introduction of a work plan was a positive step. Ideas for inclusion on the work plan at this stage were a paper to highlight the impact of the Authority's budget on the risk register and an annual report on governance.

(2) RESOLVED that:-

- (a) the draft workplan set out in Appendix A to the report be agreed subject to (1) above;
- (b) a standing item will appear on every agenda, enabling the Committee to review and agree future agenda items; and

- (c) the Terms of Reference of the Committee be reviewed by the Head of Audit and Risk and reported to the next meeting.

45. Annual Audit and Inspection Letter

(Item 6)

(1) Mr M V Snelling made a declaration of personal interest for this item as he was a Director of a number of KCC Commercial Services Trading Companies. He left the meeting for the duration of this item.

(2) RESOLVED to:-

- (a) note that the External Auditors have met the requirement to issue an annual audit letter to the Authority; and
- (b) endorse the actions proposed in paragraph 7 of the report for publication of the annual audit letter.

46. External Audit review of Health Inequalities

(Item 7)

RESOLVED that the Audit Commission's analysis of the nature and causes of health inequalities in Kent be noted.

47. Corporate Governance Indicators

(Item 8)

(1) A revised version of paragraphs 2.14 and 2.16 of the report had previously been published and was tabled at the meeting.

(2) RESOLVED that the report be noted and the action taken endorsed.

48. KCC Annual Complaints report 2008/09

(Item 9)

(1) RESOLVED that the report be noted.

49. Treasury Management

(Item 10)

RESOLVED that:-

- (a) the format for future reporting to the Committee set out in paragraphs 8 to 10 of the report be agreed;
- (b) the quarterly report be noted; and
- (c) the draft Minutes of the Treasury Advisory Group meeting on 3 September 2009 be noted.

50. Debt Recovery

(Item 11)

This report was withdrawn. An updated version would be published by the Director of Finance and sent to all Members of the Committee.

51. Risks to the County Council arising from the Private Finance Initiative

(Item 12)

RESOLVED that:-

- (a) the report be noted; and
- (b) a further report be brought to the next meeting of the Committee identifying, if possible, the current affordability position resulting from PFI, and an assessment of what would have been spent if PFI had not been utilised.

52. e.Payment Project

(Item 13)

RESOLVED that the approach set out in the report be endorsed.

53. Internal Audit Reporting

(Item 14)

RESOLVED that:-

- (a) the progress to date against the 2009/10 audit programme be noted, together with the changes to the audit programme set out in Appendix D to the report; and
- (b) the implications for governance set out in paragraph 8 of the report, arising from the outcome of the internal audit programme completed to date, be noted.