

KENT COUNTY COUNCIL

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 Monday, 30th June, 2008.

PRESENT: Mr C G Findlay (Chairman), Mr R L H Long, TD (Vice-Chairman), Mr D L Brazier, Mr A R Chell, Mrs T Dean, Mr C J Law, Mr J F London, Mrs M Newell, Mr W V Newman, DL, Mr R J Parry, Mr D Smyth, Mr M V Snelling and Mr R Tolputt

ALSO PRESENT: Mr N J D Chard

OFFICERS: Ms L McMullan (Director of Finance), Me G Wild (Director of Law and Governance), Ms J Dawson (Head of Audit and Risk), Mr K Harlock (Commercial Services Director), Mrs S Garton (Head of Corporate Performance), Mr N Vickers (Head of Financial Services), Mr A Wood (Head of Financial Management), Mrs C Dodge (Corporate Access To Information Coordinator), Mrs J Armstrong (Senior Audit Manager), Mr S Rooney (Head Of Audit & Risk), Mrs C Head (Chief Accountant) and Mr A Tait (Democratic Services Officer)

ALSO IN ATTENDANCE: Mr D Wells, Mr G Brown and Mrs S Mead

UNRESTRICTED ITEMS

12. Minutes - 5 March 2008
(Item. 3)

RESOLVED that the Minutes of the meeting held on 5 March 2008 are correctly recorded and that they be signed by the Chairman.

13. Annual Audit and Inspection Letter
(Item. 4)

RESOLVED that the report be noted.

14. Draft Head of Audit and Risk Annual Report
(Item. 5)

RESOLVED that approval be given to the draft Head of Audit and Risk Annual Report.

15. Draft Annual Governance Statement
(Item. 6)

RESOLVED that approval be given to the draft

16. Draft Statement of Accounts

(Item. 7)

(1) Mr A R Chell made a declaration of Personal Interest as the Governor of a Local Authority School.

(2) The Annual Governance Report had previously been circulated to the Committee as Appendix 2.

(3) RESOLVED that:-

(a) approval be given to the draft Statement of Accounts for 2007-08 subject to the Chairman, Vice-Chairman, Labour and Liberal Democrat Group Spokesmen being informed of any changes which may be made to the Accounts following completion of the external audit;

(b) the recommendations made in the Annual Governance Report be noted;

(c) the proposed changes to the calculations of the Minimum Revenue Provision (MRP) be noted and that this be reviewed in September 2008; and

(d) the draft Management Representation letter set out in Appendix 1 of the Annual Governance Report be amended by the inclusion of an explanation of the reasons for not amending the accounts in the manner suggested in paragraphs 19 and 20 of the Annual Governance Report.

17. Strategic Risk Register

(Item. 8)

RESOLVED that the revised strategic risk register be noted.

18. Ombudsman Complaints

(Item. 9)

(1) The Local Government Ombudsman's Annual Letter had previously been circulated to the Committee.

(2) RESOLVED that the report be noted.

19. Internal Audit Progress Report

(Item. 10)

RESOLVED that the report be noted.

20. Internal Audit Reporting - Irregularities

(Item. 11)

RESOLVED that the report be noted.

21. Review of Trading Activities within Commercial Services

(Item. 12)

Mr N J O Chard, the Cabinet Portfolio Holder for Finance was present for this item pursuant to Committee Procedure Rule 2.34 and responded to questions from Members of the Committee.

(1) Mr D Smyth, Chairman of the Budget Informal Member Group moved the recommendation set out in Page 12:1 of the report. There were agreed.

(2) RESOLVED that:-

- (a) the positive direction of travel for Commercial Services be formally welcomed and that the Director of Commercial Services, Mr Kevin Harlock be congratulated for the achievement of his services;
- (b) a Sub-Group of the Committee be set up to oversee the governance of the County Council's trading activities;
- (c) Commercial Services be encouraged to post assessments for medium sized companies as a gesture of greater openness about the County Council's trading activities;
- (d) the County Council's ability to support private companies (for example by offering its own preferential procurement arrangements to suppliers) within Kent be promoted; and
- (e) new business cases be considered by the Sub-Group of the Committee prior to being submitted to the relevant Cabinet Member for approval.

22. Audit and Inspection Plan

(Item.)

(1) The report had been previously circulated to the Committee.

(2) The Chairman declared this item to be urgent as the comments of the Committee would be key to achieving a successful audit programme and because it would be detrimental to the County Council's ability to gain maximum benefit from effective auditing if consideration were to be delayed until September 2008.

(3) RESOLVED that approval be given to the Audit and Inspection Plan and Fee for 2008/09.

23. Other items which the Chairman decides are urgent

(Item. 13)