

## KENT COUNTY COUNCIL

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### 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 Wednesday, 1 November 2017.

PRESENT: Mr N J D Chard (Chairman), Mr R A Marsh (Vice-Chairman), Mr P C Cooper (Substitute for Miss C Rankin), Mrs T Dean, MBE (Substitute for Mr R H Bird), Mr D Farrell, Mrs S V Hohler, Mr M J Horwood, Mr S C Manion (Substitute for Mr G Cooke) and Mr M E Whybrow

ALSO PRESENT: Miss S J Carey and Mrs M E Crabtree

IN ATTENDANCE: Mr A Wood (Corporate Director of Finance), Mr D Shipton (Head of Finance (Policy, Planning and Strategy)), Mr L Manser (Insurance Manager), Mr B Watts (General Counsel), Mr R Patterson (Head of Internal Audit), Ms S Buckland (Audit Manager), Mrs A Beer (Corporate Director Engagement, Organisation Design & Development), Ms D Trollope (Head of Engagement and Consultation) and Mr A Tait (Democratic Services Officer)

ALSO PRESENT were Mr A Conlan and Mr P Dossett from Grant Thornton LLP.

### UNRESTRICTED ITEMS

**39. Membership**  
*(Item 2)*

The Committee noted the appointment of Mr D Farrell in place of Mr T Dhesi.

**40. Minutes - 19 July 2017**  
*(Item 5)*

RESOLVED that the Minutes of the meeting held on 19 July 2017 are correctly recorded and that they be signed by the Chairman.

**41. Committee Work and Member Development Programme**  
*(Item 6)*

(1) the head of Internal Audit provided an update on the forward Committee Work and member development programme following best practice guidance in relation to Audit Committees.

(2) RESOLVED that approval be given to the forward Committee Work programme and Member Development programme set out in the report.

**42. KCC Insurance Overview**

*(Item 7)*

(1) The Insurance Manager summarised insurance activity in the 2016/17 financial year.

(2) RESOLVED that the report be noted for assurance.

**43. Treasury Management Update**

*(Item 8)*

(1) The Head of Finance (Planning, Policy and Strategy) introduced a summary of Treasury Management activity.

(2) The Committee asked for future reports to identify the weighting of the various sectors within the Investment Portfolio.

(3) RESOLVED that the report be noted for assurance.

**44. External Audit Annual Audit Letter 2016/17**

*(Item 9)*

(1) Mr Paul Dossett from Grant Thornton UK LLP introduced a summary of the most important findings from the external audit work in respect of the 2016/17 audit year. He explained that the objections from local electors in relation to the accounts were of a relatively low cost which he would aim to analyse for the next meeting of the Committee. He confirmed that the outcome of these objections would not alter the unqualified opinion issued.

(2) RESOLVED to note: -

(a) the Annual Audit Letter for assurance; and that

(b) the requirement of the External Auditors to prepare and issue the Annual Audit Letter to the County Council has been met.

**45. External Audit Update**

*(Item 10)*

(1) The Committee received a report on recent updates and information from the External Auditor, Grant Thornton UK LLP. It noted that the procurement of external audit services nationally was expected to exceed a reduction of £6 m in fees payable by local bodies.

(2) RESOLVED that the report be noted for assurance.

**46. KCC Annual Customer Feedback Report 2016/17**  
*(Item 11)*

(1) The Corporate Director for Engagement Organisation Design and Development and the Head of Engagement and Consultation Strategy introduced a summary of complaints recorded by the County Council. This included statistics relating to customer feedback and a sample of complaints considered by the Local Government Ombudsman.

(2) The Committee requested a more detailed report on SEN Ombudsman cases to be presented to its next meeting.

(3) RESOLVED that:-

(a) the report be noted for assurance; and

(b) a further report be submitted to the next meeting of the Committee presenting greater detail on SEN Ombudsman cases.

**47. Internal Audit and Counter Fraud Progress Report**  
*(Item 12)*

(1) The Head of Internal Audit summarised the outcome of Internal Audit and Counter Fraud activity for the 2017/18 financial year to date. He confirmed that further details on Cloud Navigator would be submitted to the next meeting of the Committee.

(2) RESOLVED to note:-

(a) progress and outcomes against the 2017/18 Audit Plan and the outcomes within it;

(b) progress and outcomes in relation to Counter Fraud activity;

(c) minor amendments to the Anti Money Laundering Policy references; and

(d) the proposed amendments to the Audit and Counter Fraud Plan following consultation with Corporate Directors.