

GOVERNANCE AND AUDIT COMMITTEE

Wednesday, 22nd September, 2021

10.00 am

**Council Chamber, Sessions House, County Hall,
Maidstone**

**There will be a training session for Members of the
Committee on the Annual Governance Statement at 9.30
am in the Council Chamber**





AGENDA

GOVERNANCE AND AUDIT COMMITTEE

Wednesday, 22nd September, 2021, at 10.00 am
Council Chamber, Sessions House, County Hall, Maidstone

Ask for: **Andrew Tait**
Telephone: **03000 416749**

Membership (12)

Conservative (8)	Mrs R Binks (Chairman), Mr R A Marsh (Vice-Chairman), Mr N J D Chard, Mr D Jeffrey, Mr H Rayner, Mr R J Thomas and Mr S Webb
Labour (1):	Mr A Brady
Liberal Democrat (1)	Mr A J Hook
Independents (Green Party) (1):	Mr M Hood
Independent Member of the Governance and Audit Committee (1)	Dr D A Horne

Webcasting Notice

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

By entering the meeting room you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you do not wish to have your image captured then you should make the Clerk of the meeting aware

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Introduction/Webcasting

2. Membership

To note the appointment of Mr A Hook to the Committee

3. Substitutes

4. Declarations of Interest in items on the agenda for this meeting

5. Revised Terms of Reference of the Committee

Governance and Audit Committee

- 1.1 Membership: 11 Members (8 Conservative, 1 Labour, 1 Liberal Democrat, 1 Green/Independent; plus, 1 independent member.
- 1.2 Political Groups should only nominate Members as regular Members or as substitutes on the Governance and Audit Committee (and on Panels of the Committee) if they have had training in the relevant procedures.
- 1.3 The purpose of this Committee is to:
 - (a) ensure the Council's financial affairs are properly and efficiently conducted,
 - (b) review assurance as to the adequacy of the risk management and governance framework and the associated control environment, and
 - (c) receive ongoing assurance and information to enable the effective scrutiny and oversight of the Executive decision-making around shareholder strategy regarding companies in which the Council has an interest.
- 1.4 The Governance and Audit Committee is responsible for ensuring that:
 - (a) risk management and internal control systems are in place that are adequate for purpose and effectively and efficiently operated,
 - (b) the Council's corporate governance framework meets recommended practice, is embedded across the whole Council and is operating throughout the year with no significant lapses,
 - (c) the Council's Internal Audit function is independent of the activities it audits, is effective, has sufficient experience and expertise and the scope of work to be carried out is appropriate,
 - (d) the appointment and remuneration of external auditors is approved in accordance with relevant legislation and guidance, and the function is independent and objective,
 - (e) the external audit process is effective, taking into account relevant professional and regulatory requirements, and is undertaken in liaison with Internal Audit,
 - (f) the Council's financial statements (including the pension fund accounts) comply with relevant legislation and guidance and the associated

financial reporting processes are effective,

- (g) any public statements in relation to the Council's financial performance are accurate and the financial judgements contained within those statements are sound,
- (h) accounting policies are appropriately applied across the Council,
- (i) the Council has a robust counter-fraud culture backed by well designed and implemented controls and procedures which define the roles of management and Internal Audit,
- (j) the Council monitors the implementation of the Bribery Act policy to ensure that it is followed at all times,
- (k) the Council has appropriate governance arrangements in place to manage the relationship between the Council and any company in which the Council has majority control, and
- (l) the Council has appropriate arrangements in place to ensure that the commercial opportunities and risks presented through company ownership are managed effectively.

6. Minutes - 22 July 2021 (Pages 1 - 6)
7. Committee Work and Member Development Programme (Pages 7 - 12)
8. Corporate Risk Register (Pages 13 - 86)
9. External Audit Progress Report (Pages 87 - 96)
10. Treasury Management Update (Pages 97 - 116)
11. KCC Insurance Overview (Pages 117 - 122)
12. Code of Corporate Governance (Pages 123 - 126)
13. Annual Governance Statement 2021/22 (Pages 127 - 166)
14. Other items which the Chairman decides are urgent

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Benjamin Watts
General Counsel
03000 416814

Tuesday, 14 September 2021

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.