

KENT COUNTY COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

MINUTES of a meeting of the Governance and Audit Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 22 September 2021.

PRESENT: Mrs R Binks (Chairman), Mr R A Marsh (Vice-Chairman), Mr N J D Chard, Mr A J Hook, Dr D Horne, Mr M A J Hood, Mr D Jeffrey, Mr H Rayner, Dr L Sullivan (Substitute for Mr A Brady), Mr R J Thomas and Mr S Webb

IN ATTENDANCE: Ms Z Cooke (Corporate Director of Finance), Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance), Mr J Idle (Head of Internal Audit), Mr L Manser (Insurance Manager), Mr M Scrivener (Corporate Risk Manager) and Mr A Tait (Democratic Services Officer)

UNRESTRICTED ITEMS

44. Membership

(Item 2)

The Committee noted the appointment of Mr A Hook.

45. Declarations of Interest by Members in items on the agenda

(Item)

(1) Mr S Webb informed the Committee that he was in receipt of a KCC Pension and would therefore not participate in any discussion that involved the Superannuation Fund.

(2) The General Counsel informed the Committee that Mr Webb would receive a dispensation so that he would only need to make this declaration if the Pension Fund or the Golf Club were specifically under discussion.

46. Revised Terms of Reference of the Committee

(Item 5)

The Committee noted its revised Terms of Reference.

47. Minutes - 22 July 2021

(Item 6)

RESOLVED that subject to the addition of an additional Minute containing the declarations of Interest made by Dr Webb, the Minutes of the meeting held on 22 July 2021 are correctly recorded and that they be signed by the Chairman.

48. Committee Work and Member Development Programme
(Item 7)

(1) The Head of Internal Audit introduced the report which provided an update on the forward Committee Work Programme following best practice guidance in relation to Audit Committees. This report also set out that the Member Training programme had been agreed at the July Committee meeting.

(2) RESOLVED that approval be given to the forward Committee Work Programme set out in the report.

49. Corporate Risk Register
(Item 8)

(1) The Director of Strategy, Policy, Relationships and Corporate Assurance and the Corporate Risk Manager introduced the six-monthly report on the Corporate Risk Register.

(2) During discussion of this item, Members of the Committee raised the following issues in respect of the various Risks set out in the Register:-

- Whether the Risk Rating for Risk CRR0010 (Suitable accommodation and funding for Unaccompanied Asylum Seeking Children). should be 25 instead of 20.
- Consideration should be given to incorporating the risk of failure to fully disclose information within Risk CRR0039 (Information Governance).
- Consideration should be given to specifically describing the risk of flash flooding and surface water flooding events in Risk CRR0004 (Simultaneous Emergency Response and Resilience).

(3) The Director of Strategy, Policy, Relationships and Corporate Assurance agreed to include an explanation for delay in implementation of risk control measure wherever possible.

(4) Following a suggestion that the Committee should identify one risk and for a deep dive exercise outside of the Committee cycle, the Committee asked the Chairman to write to the Cabinet Committee Chairmen in respect of their Committees' ability to undertake deep dives into individual risks and to ask whether they would welcome the Governance and Audit Committee doing so.

(5) RESOLVED that subject to (3) and (4) above, the report be noted for assurance.

50. External Audit Progress Report
(Item 9)

(1) The Corporate Director of Finance introduced the progress report from the External Auditors Grant Thornton UK LLP.

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

51. Treasury Management Update
(Item 10)

(1) The Corporate Director of Finance introduced the report which provided an overview of Treasury Management activity and developments in 2021/22 up to the end of July 2021.

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

52. KCC Insurance Overview
(Item 11)

(1) The Insurance Manager provided a summary of insurance activity for the 2020/21 financial year and other points of interest.

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

53. Code of Corporate Governance
(Item 12)

(1) The General Counsel provided an update and overview of plans to amend the Code of Corporate Governance prior to that that work progressing.

(2) RESOLVED that agreement be given to:-

- (a) the programme proposed in the report for changing the Code of Corporate Governance;
- (b) amending the principles in the Code of Corporate Governance to the latest version from the CIPFA/SOLACE framework; and
- (c) making necessary changes to reflect the CIPFA Financial Management Code.

54. Annual Governance Statement 2021/22
(Item 13)

(1) The General Counsel introduced the report, providing a draft copy of the Annual Governance Statement (AGS) together with a general update on governance within Kent County Council.

(2) During discussion of this item, Members of the Committee made the following comments:-

- It was necessary to ensure that the AGS became embedded within the organisation, rather than simply being seen as another document.
- Officer decision-making needed to be clearly recorded.
- Clarity on the availability of information on the establishment of Informal Member Groups which receive Officer support.
- A long-term programme of Committee meetings should be developed as soon as practicable.

(3) RESOLVED that the comments on the draft Annual Governance Statement be noted as set out in (2) above.