

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 Tuesday, 15 November 2022.

PRESENT: Mrs R Binks (Chairman), Mr A Brady, Mr N J D Chard, Dr D Horne, Mr M A J Hood, Mr D Jeffrey, Mr H Rayner, Mr R J Thomas, Mr S Webb and Mrs T Dean, MBE (Substitute)

ALSO PRESENT: Mr P Oakford

IN ATTENDANCE: Ms Z Cooke (Corporate Director of Finance), Mr B Watts (General Counsel), Mr J Idle (Head of Internal Audit), Mr Parris Williams, Mrs R Spore (Director of Infrastructure), Mr J Sanderson (Head of Property Operations), Mr K Bulled (Policy and Business Planning Manager), Mr J Graham (Pension Fund Treasury and Investments Manager), Mrs S Hammond (Corporate Director Children, Young People and Education), Mr S Jones (Corporate Director of Growth, Environment and Transport), Ms N Liddiard (Head of Gypsy and Traveller Service), Mr T Marchant (Interim Head of Countryside and Community), Mr M Rolfe (Head of Kent Scientific Services), Ms P Blackburn-Clarke (Customer Experience and Engagement Manager) and Miss K Reynolds (Democratic Services Officer)

UNRESTRICTED ITEMS

69. Substitutes

(Item 2)

Apologies for absence had been received from Mr Hook for whom Mrs Dean was present as substitute.

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

(Item 3)

In relation to agenda item 5, Mr Webb declared that he was in receipt of a KCC Pension. In relation to agenda item 8, Mr Webb declared that he was a Maidstone Borough Council elected Member.

71. Minutes of the Meeting Held on 29 September 2022

(Item 4)

RESOLVED that the minutes of the meeting held on 29 September 2022 were correctly recorded and that they be signed by the Chairman.

72. Treasury Management Update

(Item 5)

1. The Pension Fund and Treasury Investments Manager introduced the report which provided an overview of Treasury Management activity and developments in 2022-23 to the end of September 2022. The omitted Appendix ('Investments as at 30 September 2022') had been circulated to Committee Members at the start of the meeting and is appended to these minutes.
2. In response to questions from Members it was said that LOBO (Lender's Option Borrower's Option) loans were a relatively low proportion of the Council's borrowing portfolio. The Council maintained short-term liquidity and there was a facility to borrow from PWLB. The Pension Fund and Treasury Investments Manager said that a risk model was in development and that he expected this to inform future updates to the Committee.
3. RESOLVED that the report be endorsed for onward submission to the County Council.

73. Committee Chairman's Annual Report to the Council
(Item 6)

1. The Chairman introduced the report which highlighted the role and work of the Committee, drew attention to some of the governance issues the Committee had considered and highlighted key themes that all Members should be sighted on.
2. RESOLVED that the report be endorsed for onward submission to the County Council, subject to further revision outside of the formal meeting.

74. SEND Transport Review Report - Management Response Update (to follow)
(Item 7)

1. The General Counsel introduced the report which provided a summary table of a range of management actions and activity that were being undertaken by officers in the areas identified in the SEND Transport Lessons Learned Review report. The Corporate Director for Children's, Young People and Education said that the recommendations of the report were being prioritised.
2. In response to questions and comments from Members it was said that:
 - i. The Committee would receive the Ofsted SEND report for consideration at the January 2023 meeting. The Corporate Director of Children, Young People and Education said that the directorate was working with the Department for Education to produce an Accelerated Progress Plan to respond to the recommendations of the report and to transform services.
 - ii. In response to Member concerns regarding officers working excessive hours during the SEND Transport re-tendering exercise, the General Counsel advised he would work with colleagues to ensure that officers at all levels were aware of the Council's Whistle Blowing procedure.
 - iii. There would be scope for the Internal Audit team to carry out a review of the SEND Transport management response and to provide the Committee with independent assurance at a future meeting.
 - iv. It was agreed that the Committee would receive updates on the Management Action Table at every meeting until further notice.

3. The Chair of Kent PACT thanked officers for the work undertaken in response to the SEND Transport Lessons Learned Review report. However, she raised concern that there had been a distinct lack of communication with parents, carers or Kent PACT on planned meetings. It was requested that service users be included in relevant discussions and proposed that Kent Pact have a place on the new Home to School Transport Board.
4. RESOLVED to:
 - a) note the update on management action taken and planned in relation to the Review Report; and
 - b) agree the regularity of future updates to be brought before the Committee.

75. Update Report on Audit RB27 - 2022 (Traveller Service - Site Allocation and Pitch Fee Collections) and RB08-2022 (Transfer of Property Functions to KCC from GEN2 - Performance Management)

(Item 8)

1. Update Report on Audit RB27 - 2022 (Traveller Service - Site Allocation and Pitch Fee Collections)
 - 1.1. The Cabinet Member for Community and Regulatory Services introduced the report which provided an update on the Management Response to the Internal Audit conducted on the Gypsy and Traveller Service -Site Allocation and Pitch Fee Collections completed in February/March 2022. The new Head of Gypsy and Traveller Service highlighted the Gypsy and Traveller Pitch Allocation Policy which was to be considered at the Growth, Economic Development and Communities Cabinet Committee on 22nd November 2022. In relation to the outstanding debt for pitch fees, it was highlighted that KCC Debt Recovery processes had been adopted and a clear escalation process established, resulting in a reduction in overall debt of approximately 11% since June 2022.
 - 1.2. In response to questions from Members it was said that:
 - i. Due to overdue pitch maintenance work, the service did not consider it appropriate to charge annual pitch fees at present.
 - ii. The case management system had not been procured specifically for the Gypsy and Traveller Service. The system had originally been procured for a separate service within Public Protection and a module was identified as appropriate for use in the Gypsy and Traveller Service. However, the case management system had been deemed as 'not fit for purpose' and work was underway to procure a more suitable case management system to benefit the Service.
 - iii. An aged debt analysis and prospects for recovery would be provided to Members by the Head of Gypsy and Traveller Service.
 - iv. The Head of Internal Audit said that many positive actions had been taken by the Gypsy and Traveller Service in recent months.
 - 1.3. RESOLVED to note progress made so far.
2. Update Report on RB08-2022 (Transfer of Property Functions to KCC from GEN2 - Performance Management)
 - 2.1. The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services introduced the report which updated the Committee on the progress of the Transfer of Property Functions to KCC from Gen² – Performance Management Action Plan being implemented and sought to provide assurance that robust procedures and processes were in place.

- The Director of Infrastructure said that significant progress had been made in progressing the solution to the outcomes of the audit.
- 2.2. In response to questions and comments from Members it was said that the Corporate Director of Finance would provide the Committee with a breakdown of the costs incurred by the transfer of Gen² Property Staff under TUPE arrangement and the initial start-up cost of Gen² Property Limited.
 - 2.3. The Head of Internal Audit said that positive actions had been undertaken by the service in response to the areas of development outlined in the audit report.
 - 2.4. RESOLVED to note the progress that has been made following the initial presentation of the Audit RB08-2022 and the further improvement work underway to embed the Performance Information Management System (PIMS) in the division.

76. KCC Annual Customer Feedback Report 2021-22

(Item 9)

1. The Customer Experience and Engagement Manager provided a summary of the compliments, comments and complaints recorded by the Council. The report included statistics relating to customer feedback received by the Council and a sample of complaints considered by the Ombudsman.
2. In response to questions from Members it was said that:
 - a. The delays in Deprivation of Liberty Safeguards assessments were due to a shortage of qualified Best Interest Assessors nationwide. Members requested that a report outlining the actions taken to overcome these pressures across the Council be brought back to the Committee by Adult Social Care & Health officers at a future meeting.
 - b. The Customer Experience and Engagement Manager would provide the Committee with the Children, Young People and Education report when available which will include a detailed breakdown of the complaints relating to Special Educational Needs (SEN)
3. RESOLVED to note the report for assurance.

77. Covert Enforcement Techniques Activity

(Item 10)

1. The Head of Kent Scientific Services reported on the use of covert investigative techniques surveillance, covert human intelligence source and telecommunications data requests carried out by KCC between 1 April 2021 – 31 March 2022. The Committee was told that since the publication of the report, the two defendants identified using various covert techniques had been sentenced to prison terms following the investigation of illegal television streaming.
2. RESOLVED to note for assurance the use of covert investigative techniques during the period and endorse the policy in relation to the use of covert investigative techniques.

78. External Audit - Progress Report and Sector Update

(Item 11)

1. Mr Parris Williams from Grant Thornton UK LLP introduced the report on current progress on external audit work. It was highlighted that a technical accounting

issue had led to delays in local authority audits, principally for highways authorities. This was a material issue which impacted Kent County Council as the Council reported to hold over £600m of infrastructure assets as at 31 March 2021. A statutory override was expected to be introduced in November 2022. This would allow audit opinions to be completed for Kent's 2021/22 financial statements.

2. In response to questions and comments from Members it was agreed that due to the Council's financial position and the current exceptional economic climate, a Cabinet meeting may be arranged for late July or August 2023 to avoid delays to quarter one reporting.
3. RESOLVED that the report be noted for assurance.

79. Other items which the Chairman decides are urgent
(Item 12)

There were no matters arising.