

To: Selection and Member Services Committee – 14 March 2012

By: Geoff Wild, Director of Governance and Law
Peter Sass, Head of Democratic Services

Subject: Report by Kent Audit on Members' Expenses

Classification: Unrestricted

Summary This report invites the Committee to consider the review undertaken by Kent Audit of Members' Expenses and seeks the Committee's views on and endorsement of the management action plan.

1. Background

1.1 As an addition to the original Annual Audit Plan for 2011/12, it was agreed that an audit of Members' Expenses and other expenditure incurred on behalf of Members, for example the use of County Cars, would be undertaken to ensure the system was robust. The overall objective of the audit was to provide assurance that the current system for review, approval and monitoring of Members' Expenses and related expenditure was adequate to ensure all payments made are accurate and bona fide.

1.2 Based on the findings of the audit, Kent Audit has confirmed that it is able to give **substantial** assurance that the current system is adequate to ensure that all payments made are accurate and bona fide.

1.3 The final draft report from the Kent Audit team is attached at **Appendix 1**. The Committee is invited to comment upon and endorse the recommendations in the Management Action Plan. A number of the recommendations, such as updating the Members' Handbook, are straightforward and have been accepted during the consultation phase with officers on the draft report. Other recommendations, such as the proposed process for detailed sample testing of Members' Expense Claims, have either been noted or accepted in principle, subject to the views of this Committee. Following this Committee's consideration of the draft report and the finalisation of the management action plan, the report will be submitted to the Governance and Audit Committee in April.

2. Recommendations

2.1 The Committee is invited to comment upon and endorse the report from Kent Audit and approve the management action plan.