

## 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 on Wednesday, 24 October 2018.

PRESENT: Mr N J D Chard (Chairman), Mr R A Marsh (Vice-Chairman), Mrs R Binks, Mr R H Bird, Mr D L Brazier, Mr G Cooke, Mr D Farrell, Mrs S V Hohler, Mr M J Horwood, Mr H Rayner and Mr M E Whybrow

ALSO PRESENT: Miss S J Carey, Mrs M E Crabtree and Mr P J Oakford

IN ATTENDANCE: Mr R Patterson (Head of Internal Audit), Mr B Watts (General Counsel), Mrs C Head (Head of Finance Operations), Mrs A Beer (Corporate Director Engagement, Organisation Design & Development), Mr P Rock (Counter Fraud Manager), Mrs A Mings (Treasury and Investments Manager), Miss M Goldsmith (Finance Business Partner), Mr L Manser (Insurance Manager), Mr M Akerman (Engagement and Consultation Delivery Officer) and Mr A Tait (Democratic Services Officer)

#### UNRESTRICTED ITEMS

**41. Membership**  
*(Item 2)*

The Committee noted that Mr D L Brazier had replaced Miss C Rankin as a Member of the Committee.

**42. Election of Chairman**  
*(Item 5)*

(1) The Chairman informed the Committee that he was stepping down from this position. He then moved, seconded by Mr R A Marsh that Mr D L Brazier be elected Chairman.

*Carried nem. Con*

(2) Mr D L Brazier thereupon took the Chair.

**43. Minutes - 25 July 2018**  
*(Item 6)*

RESOLVED that the Minutes of the meeting held on 25 July 2018 are correctly recorded and that they be signed by the Chairman.

**44. Dates of Future Meetings**  
(Item 7)

The Committee noted that its meetings in 2019/20 would be held on:-

Wednesday, 23 January 2019;  
Wednesday, 24 April 2019;  
Wednesday, 24 July 2019;  
Thursday, 3 October 2019;  
Wednesday, 22 January 2020; and  
Thursday, 23 April 2020.

**45. Committee Work and Member Development Programme**  
(Item 8)

(1) The Head of Internal Audit provided an update on the forward Committee Work and Member Development Programme following best practice guidelines in relation to Audit Committees.

(2) The Committee also noted that there would be update reports at the January 2019 meeting on The Education People, Property Income Management, and the Annual Review of the Code of Corporate Governance. It was agreed to invite the Cabinet Member for Corporate and Democratic Services and the Cabinet Lead Member for Traded Services to this meeting.

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

**46. Internal Audit and Counter Fraud Progress Report**  
(Item 9)

(1) The Head of Internal Audit summarised the outcomes to date against the 2018/19 Internal Audit and Counter Fraud Plan.

(2) Topics discussed by the Committee included the Coroners Service, Oakwood House, Adults Direct Payments, Blue Badges and the Kent Intelligence Network.

(3) RESOLVED to note:-

(a) progress and outcomes against the 2018/19 Internal Audit and Counter Fraud Plan;

(b) that minimal required to the Council's Anti-Fraud and Corruption Strategy and to the Anti-Money Laundering Policy;

- (c) the action plan developed following the completion of the Public Sector Internal Audit Standards (PSIAS) self-assessment;
- (d) future plans and enhancements; and
- (e) future preparations for the replacement of the current Head of Internal Audit during 2019.

**47. External Audit Annual Letter 2017/18**

*(Item 10)*

(1) Mr Andy Conlan from Grant Thornton UK LLP presented the Annual Audit Letter which summarised external audit work during the 2017/18 audit year.

(2) Mr Conlan replied to Members' questions by agreeing to consider whether findings on individual objections to the financial statements could be reported to the Committee, or whether a generic report could be provided on the objection to the 2016/17 audit of accounts which was identical to that made to other Local Authorities.

(3) 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.

**48. External Audit Update**

*(Item 11)*

(1) The Committee received a report on recent updates and information from the External Auditor, Grant Thornton UK LLP.

(2) The Chairman undertook to consider whether the Committee Members should hold informal meetings privately and separately with the Internal and External Auditors.

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

**49. Debt**

*(Item 12)*

(1) The Head of Finance (Operations) introduced a report on the Council's outstanding debt position.

(2) During discussion of this item, Members raised concerns over the causes and implications of social care debt. The General Counsel advised that the Corporate Director of Adult Social Care and Health would be able to provide a briefing on this matter to the Members of the Committee.

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

**50. KCC Annual Customer Feedback Report 2017/18**

*(Item 13)*

(1) The Corporate Director of Engagement Organisation Design and Development and the Delivery Manager of Engagement and Consultation provided a summary of the compliments, comments and complaints recorded by the Council. This included statistics relating to customer feedback received by the Council and a sample of complaints considered by the Local Government Ombudsman.

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

**51. KCC Insurance Overview**

*(Item 14)*

(1) The Insurance Manager provided a summary of insurance activity in the 2017/18 financial year.

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

**52. Treasury Management Update**

*(Item 15)*

(1) The Treasury and Investments Manager introduced a summary of Treasury Management activity for the three months up to 30 June 2018 together with updates on significant developments since then.

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