



## **Audit and Governance Committee**

- Held at: Council Chamber - Civic Centre, Folkestone
- Date: Wednesday, 4 March 2020
- Present: Councillors Mrs Ann Berry (Vice-Chair), Philip Martin (Chairman), Connor McConville, Tim Prater and Rebecca Shoob
- Officers Present: David Avery (Insurance & Risk Specialist), Amandeep Khroud (Assistant Director), Derrick Miller (Corporate Health & Safety Officer), Mr Chris Parker (Deputy Head of Audit), Charlotte Spendley (Director of Corporate Services) and Jemma West (Committee Service Specialist)
- Others Present: Paul Dossett – Grant Thornton

### **26. Declarations of Interest**

Councillor Prater made a voluntary announcement that he was now a Cabinet Member, and would therefore only sit as a member of the A&G Committee for the remainder of the Council year.

### **27. Minutes**

The minutes of the 27 November and 4 December 2019 were submitted, approved and signed by the Chairman.

### **28. Grant Thornton Audit Plan for the Year Ended 31 March 2020**

The report presented the Grant Thornton Audit Plan, which focused on their proposed work on auditing the statement of accounts for 2019/20 and an update on the audit fees.

Paul Dossett of Grant Thornton presented the report to the Committee Members, highlighting the main aspects. He confirmed that there were two aspects of the 18/19 Audit which were not complete. One aspect related to Housing Benefit which was now completed. There was also an objection to the 18/19 accounts, which he hoped would be concluded prior to the next scheduled meeting of the Committee.

Proposed by Councillor Prater,

Seconded by Councillor Shoob; and

**RESOLVED:**

- 1. That report AuG/19/25 be received and noted.**
- 2. That the Grant Thornton's Audit Plan for the year ended 31 March 2020 and audit fees as outlined within the Appendix to the report be agreed.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**29. Grant Thornton Risk Assessment Work**

Grant Thornton were seeking confirmation from the Committee about how it gains assurance from management. Their request included a series of questions on fraud, laws and regulations. The proposed response was enclosed in the report.

Proposed by Councillor P Martin  
Seconded by Councillor Mrs Berry; and

**RESOLVED:**

- 1. That report AuG/19/27 be received and noted.**
- 2. That the proposed response to Grant Thornton's request be approved.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**30. Corporate Health and Safety Annual Report**

The report detailed the performance of Corporate Health and Safety over the last calendar year and looked into future work.

The Corporate Health and Safety Officer outlined the main aspects of the report, and responded to member's questions, making points including the following:

- The guidelines for a minimum number of first aid trained employees depended on risk, but tended to be 1 in 50 employees. The internal list was refreshed on a three yearly basis.
- The number of workdays lost due to accident had not been recorded in 2018.
- The number of days lost in 2019 was spread between the two accidents.
- Personal resilience training would be carried out in the next financial year.
- Engineering training was carried out on a two yearly basis.
- Although the list of first aiders was dated February 2019, it had been updated in November 2019, and would be updated again in the near future.

Proposed by Councillor McConville,  
Seconded by Councillor Shoob; and

**RESOLVED:**

**That report AuG/19/18 be received and noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**31. Annual Report of Audit and Governance**

The report summarised the achievements of the Audit and Governance Committee against the terms of reference for the period 1 April 2019 to 31 March 2020 and detailed the impact that it has made on the overall system of internal control in operation.

Proposed by Councillor Prater,  
Seconded by Councillor P Martin; and

**RESOLVED:**

**That report AuG/19/19 be received and noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**32. Report on Local Code of Corporate Governance**

The report recommended the approval of a local Code of Corporate Governance for 2020/21.

The Committee Members requested that the Whistleblowing policy be made more accessible and easy to find on the Council's intranet, and on the website, for members of the public to view.

The Assistant Director of Law and Governance confirmed that regular emails were sent to staff advising on the procedures for whistleblowing, and confirmed that she would ensure the policy was made more accessible.

Proposed by Councillor Shoob,  
Seconded by Councillor McConville, and

**RESOLVED:**

- 1. That report AuG/19/20 be received and noted.**
- 2. That the local Code of Corporate Governance (appended to the report) be adopted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**33. Internal Audit Standards Self-Assessment**

The report summarised the results of the East Kent Audit Partnership (EKAP) self-assessment against the Public Sector Internal Audit Standards (PSIAS) and the actions required to move towards full compliance.

Proposed by Councillor McConville,

Seconded by Councillor Prater; and

**RESOLVED:**

- 1. That report AuG/19/21 be received and noted.**
- 2. That the results of the self-assessment and the actions required to work towards full compliance with the PSIAS, be noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**34. Internal Audit progress report from the Head of the East Kent Audit Partnership**

The report included the summary of the work of the East Kent Audit Partnership (EKAP) since the last Audit and Governance Committee meeting together with details of the performance of the EKAP to the 31 December 2019.

The Deputy Head of Audit outlined the report. He responded to various questions from the Committee Members, and made points including the following:

- He was not aware of how many years of payroll records were held, but the data held exceeded GDPR requirements.
- With regard to the two tables in paragraph 3.3 (Communal Blocks and Domestic properties), he would seek to provide a more up to date version to Members showing progress made with regard to compliance.
- With regard to the compliance indicator data quality for electrical safety, the base data needed more work. The Director of Corporate Services added that the audit was about the integrity of the process, not about testing input. This would be an ongoing process.
- With regard to the progress against he agreed audit plan, set out in appendix 3 of the report, the reason for the lower number of days had been as a result of more resource being directed to EKH, and staff sickness.

Proposed by Councillor Mrs Berry,  
Seconded by Councillor P Martin; and

**RESOLVED:**

- 1. That report AuG/19/22 be received and noted.**
- 2. That the results of the work carried out by the East Kent Audit Partnership be noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**35. Internal Audit Charter and Draft Internal Audit Plan 2020-21**

The report included the Audit Charter for the East Kent Audit Partnership which set out the overarching vision, aims and strategy for the Internal Audit Service together with the draft plan of work for the forthcoming 12 months for approval.

The Deputy Head of Audit outlined the report. He responded to various questions from the Committee Members, and made points including the following:

- With regard to C3 (Otterpool Park Governance), the review for the period 19/20 was presently with the Senior Management team, awaiting feedback. He hoped this would be available for the next Committee meeting.
- With regard to EKH Tenants' Health and Safety (lifts and fire safety), he had been advised that the lifts were now in a good state for an Audit to take place. He would report back regarding Fire safety.
- With regard to C4 (Planning Section 106s/CILS, which had not been audited for some years, work had been undertaken in 2018/19, but had not been completed, and so would feed into the plan for the coming year.

Proposed by Councillor Prater,  
Seconded by Councillor McConville; and

**RESOLVED:**

1. **That report AuG/19/24 be received and noted.**
2. **That the Council's Internal Audit Plan for 2020/21 be approved.**
3. **That the Internal Audit Charter be adopted for delivery of the internal audit service for the next three years.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**36. Review of Corporate Risk Register**

The report provided an update to the Corporate Risk Register.

The Director of Corporate Services outlined the main aspects of the report, and responded to questions from Members, making points including the following:

- The Corporate Risk Register was assessed on its ability to deliver key priorities. Some risks may re-appear, but the document reflected the situation at the present moment in time.
- With regard to the risks around Corona Virus, the situation was being closely monitored. The council's business Continuity Plan had recently been updated, and most staff were able to work from home.

Proposed by Councillor Mrs Berry,  
Seconded by Councillor McConville; and

**RESOLVED:**

**That the updated Corporate Risk Register be received and noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

**37. Accounting Policies 2019/20**

Accounting Policies are the specific principles, bases, conventions, rules and practices applied by an authority in preparing and presenting financial statements. The report presented the Accounting Policies proposed to be adopted for the 2019/20 financial statements.

Proposed by Councillor Mrs Berry,  
Seconded by Councillor Prater; and

**RESOLVED:**

- 1. That report AuG/19/26 be received and noted.**
- 2. That the Accounting Policies 2019/20 be approved.**

(Voting figures: 5 for, 0 against, 0 abstentions).