

## GOVERNANCE AND AUDIT COMMITTEE

Minutes of the meeting held on 20 September 2016 at 7.00 pm in Council Chamber, Cecil Street, Margate, Kent.

**Present:** Councillor John Buckley (Chairman); Councillors Braidwood, Campbell, Dixon, Edwards, Game, I Gregory, Hayton, Jaye-Jones, Larkins, Taylor-Smith, Savage and Partington.

**In Attendance:** Councillors Taylor, Crow-Brown and Townend.

### 1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Connor, Councillor Dexter for whom Councillor Partington was substitute, and Councillor Day for whom Councillor Savage was substitute.

### 2. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 3. MINUTES OF PREVIOUS MEETING

Councillor Campbell proposed, Councillor Taylor-Smith seconded and Members agreed the minutes of the meeting held on 11 August 2016.

### 4. THE EXTERNAL AUDIT FINDINGS FOR THANET DISTRICT COUNCIL - YEAR ENDING MARCH 2016

Darren Wells, Engagement Lead, Grant Thornton UK LLP, introduced the Audit Findings Report noting that the auditors expected to be able to offer an unqualified value for money opinion for the year ending March 2016.

During consideration of the item it was noted that Grant Thornton had received three public objections.

Members noted the report.

### 5. LETTER OF REPRESENTATION

Letter of representation was considered as part of agenda item 9, annex 2.

### 6. QUARTERLY INTERNAL AUDIT UPDATE REPORT

Simon Webb, Deputy Head of East Kent Audit Partnership, introduced the report noting that there had been twelve internal audit assignments completed since the last committee meeting; four achieved substantial assurance, one achieved reasonable assurance, one achieved a split assurance of reasonable/limited, three achieved a limited assurance, and there were three assignments for which an assurance opinion was not required.

Gavin Waite, Director of Operational Services provided Members with an explanation of how the Council intended to improve its grounds maintenance and street cleansing processes and procedures, in order to address the concerns highlighted the internal audit which led to limited assurances. Mr Waite advised that he expected significant progress to have been made over the next six months.

In response to comments and questions it was noted that:

- Mr Waite offered to advise Councillor Savage outside of the meeting how seasonal fluctuation in demand for grounds maintenance work was calculated, and the fluctuation impacted on staffing levels.
- Since 2013/14 there had been a drop in the number of disabled facilities grant applications processed each year, this was because there had previously been a back log of applications to be processed which was no longer the case.
- Mr Webb offered to confirm to Councillor Campbell outside of the meeting what the target recovery rate for EKS housing benefit overpayments was.
- There had been a significant increase in the number of post-audit satisfaction questionnaires returned.

Members noted the report.

#### **7. CORPORATE RISK REGISTER QUARTERLY UPDATE**

The Corporate Risk Register Quarterly Update had been withdrawn from the agenda.

#### **8. THE ANNUAL GOVERNANCE STATEMENT 2015/16**

Tim Howes, Director of Corporate Governance and Monitoring Officer, introduced the Annual Governance Statement 2015-16 and the significant issues action plan.

During consideration of the item it was noted that:

- Paragraph 4.1.8 of the report should be amended to read 'nine or more Council Members'.
- The timescales and progress boxes in the action plan table, shown in annex 2 of the report, would be populated for consideration at the next ordinary meeting of the Governance and Audit Committee.

It was proposed by Councillor Campbell, seconded by Councillor Larkins and Members agreed that the Committee consider and approve the Annual Governance Statement and action plan for 2015-16.

#### **9. FINAL STATEMENT OF ACCOUNTS**

Tim Willis introduced the report which asked Members to approve the audited statement of accounts for 2015-16.

During consideration of the item it was noted that

- Any decisions taken by the Council after 31 July 2016 would not be reflected in the statement of accounts for 2015/16.
- Heritage assets can have a value shown in the accounts which does not necessarily reflect the value placed on those assets by the community.
- The increase to the heritage assets from 2015 to 2016 shown in section 11 of the accounts, relates to capital expenditure in respect of the Dreamland site.

It was proposed by Councillor Campbell, seconded by Councillor Jaye-Jones and Members agreed to approve the Statement of Accounts for 2015/16, and to note the letter of representation to Grant Thornton issued by the Chairman of Governance and Audit and the Director of Corporate Resources.

#### **10. ANNUAL FRAUD REPORT**

The Annual Fraud Report had been withdrawn from the agenda.

Meeting concluded: 8.15 pm