

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**  
**AUDIT AND GOVERNANCE COMMITTEE**

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MINUTES of a meeting of the Audit and Governance Committee held at Kent Fire and Rescue Service Headquarters, The Godlands, Tovil, Maidstone on Wednesday 20 November 2012.

PRESENT: - Mr T G Mason (Chairman), Mr P J Homewood (Vice Chairman), Mr M J Angell, Mr R E Brookbank, Mr B R Cope, Mr J A Davies, Mr D A Hirst, Mr J F London and Mr R Tolputt.

APOLOGIES: - Mr D S Daley, Mr P Godwin, Mr M J Harrison, Mr W A Hayton and Mrs P A V Stockell.

OFFICERS: - The Director, Finance and Corporate Services, Mr C Kerr; the Assistant Director, Finance, Mrs A Kilpatrick; the Area Manager, Operational Response, Mr M Adams; the Corporate Governance and Risk Manager, Mr R Feltham; the Planning and Performance Manager, Mr R Stanford-Beale; and the Clerk to the Authority, Mr S C Ballard.

IN ATTENDANCE: - Mr B Cull, KCC Internal Audit.

**UNRESTRICTED ITEMS**

**18. Membership**  
*(Item A1)*

Members noted that Mr D S Daley had been appointed to serve on the Committee in place of the late Mr M B Robertson.

**19. Minutes**  
*(Item A3)*

RESOLVED that the Minutes of the meeting held on 12 July 2012 be approved and signed by the Chairman as a correct record.

**20. Budget Monitoring 2012/13**  
*(Item B1 - Report by Assistant Director, Finance)*

- (1) The Committee considered a report setting out the latest forecast outturn position on the revenue and capital budgets for 2012/13, together with an update on other finance related issues including the Government's consultation on the Draft Local Audit Bill.
- (2) RESOLVED that:-
  - (a) the response to the consultation on the Draft Local Audit Bill, sent to the Department of Communities and Local Government as urgent business following consultation with the Chairman of the Committee, be approved;
  - (b) the remaining contents of the report be noted.

**21. Development of 2013/14 Budget and Medium Term Financial Plan 2013-16**  
*(Item B2 - Report by Director, Finance and Corporate Services)*

- (1) The Committee considered a report on the development of the 2013/14 budget and the Medium Term Financial Plan (MTFP) for 2013-16.
- (2) As an urgent update to the written report, the Director, Finance and Corporate Services briefed Members on discussions in the Kent Forum aimed at reaching

agreement between the Kent District Councils (as the Council Tax billing authorities) and the precepting authorities (Kent County Council, Kent Police Authority and the Authority) on arrangements for Council Tax Benefit schemes which would mitigate the financial impact of grant reduction.

- (3) RESOLVED that:-
- (a) the approach and current assumptions being used to develop the 2013/14 budget and Medium Term Financial Plan for 2013-16, as set out in the report, be approved;
  - (b) the oral update on discussions aimed at reaching agreement on arrangements for Council Tax Benefit schemes throughout Kent be noted.

**22. Treasury Management Mid-Year Update for 2012/13**

*(Item B3 - Report by Assistant Director, Finance)*

- (1) The Committee was provided with a mid-year update on the main aspects of the Authority's Treasury Management activity for 2012/13.
- (2) RESOLVED that:-
  - (a) the revised prudential indicators for 2012/13, as set out in paragraphs 11 to 16 of the report, be approved;
  - (b) the remaining contents of the report be noted.

**23. Corporate Risk Monitoring and Revised Risk Management Policy**

*(Item B4 – Report by Corporate Governance and Risk Manager)*

- (1) Members received the latest corporate risk monitoring information following the recent review, and considered a proposal for a revised Risk Management Order, setting out the Authority's policy on risk management and clarifying the key roles and responsibilities in relation to the process.
- (2) RESOLVED that:-
  - (a) the revised Risk Management Order, attached as Appendix 2 to the report, be approved;
  - (b) the current position regarding the key corporate risks facing the Authority, as described in paragraphs 10 to 13 and Appendix 1 to the report, be noted.

**24. Updating of Complaints, Comments and Compliments (Service Users' Feedback) Policy**

*(Item B5 - Report by Head of Policy and Performance)*

- (1) The Committee considered a proposal for an updated policy for complaints, comments and compliments.
- (2) One further amendment to the draft updated policy – removal of the reference to the Appeals Panel in paragraph 9 – was suggested by the Policy Manager, Planning and Performance, at the meeting.
- (3) RESOLVED that the draft updated Complaints, Comments and Compliments policy, as set out in Appendix 1 to the report amended as in sub-paragraph 2 above, be approved.

**25. External Auditor's Annual Audit Letter 2011/12 and Appointment of New External Auditor**

*(Item C1 – Report by Assistant Director, Finance)*

- (1) The Committee received the Annual Audit Letter prepared by the Audit Commission in its capacity as the Authority's External Auditor. The Letter confirmed that the audit for 2011/12 had been concluded and an unqualified opinion issued in relation to the 2011/12 financial statements.
- (2) The Committee also received an update on the appointment of Grant Thornton UK LLP as the Authority's new External Auditor with effect from 1 September 2012.
- (3) As an update to the written report, the Assistant Director, Finance advised Members that notification had been received of the audit fee to be paid by the Authority for 2012/13. As expected, this was some 40% lower than the fee for the previous year.
- (4) RESOLVED that:-
  - (a) the Committee's congratulations be passed on to all the officers involved in achieving an unqualified opinion from the External Auditor and in earning praise from the Audit Commission for completing the Statement of Accounts so speedily;
  - (b) the contents of the report be noted.

**26. Members' Allowances and Members' Activity Reports 2011/12**

*(Item C2 – Report by Clerk to the Authority)*

RESOLVED that:-

- (a) the details of the allowances and expenses paid by the Authority in accordance with its Members' Allowances Scheme to each of its Members during 2011/12, as set out in Appendix 1 to the report, be noted;
- (b) the summary of the reports submitted by Members on their activities on behalf of the Authority during 2011/12, as set out in Appendix 2 to the report, be noted.

**27. Annual Report on Insurance Activity 2011/12**

*(Item C3 – Report by Corporate Governance and Risk Manager)*

- (1) The Committee received a report setting out details of the claims performance of the Authority up to 31 March 2012 compared with previous years, together with an update on the current position regarding the existing insurance and broker contracts.
- (2) RESOLVED that the contents of the report and its Appendix be noted.