

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

MINUTES of the Meeting of the Audit and Governance Committee held on Thursday, 25 April 2024 at Kent Fire and Rescue Service Headquarters.

PRESENT: - Mr P Cole, Mr D Crow-Brown, Mr M Hood, Mr B Kemp, Mr V Maple (Chair), Mr C Simkins and Mrs J Waterman (Independent Member).

APOLOGIES: - Mr A Booth, Mr A Brady, Mr N Collor and Mr J McInroy.

OFFICERS:- The Chief Executive, Ms A Millington; the Director Finance and Corporate Services, Mrs A Hartley; Director Protection, Prevention and Customer Engagement, Mr J Quinn; Head of Finance, Treasury and Pensions, Ms N Walker; Head of Finance, Treasury and Pensions, Mr B Fullbrook; KMFRA Monitoring Officer, Ms C Valmond; KMFRA Deputy Monitoring Officer, Ms H Ward; Head of Policy, Dr O Thompson; Strategic and Risk Manager, Mr P Goodwin; and the Clerk to the Authority, Mrs M Curry.

ALSO IN ATTENDANCE: - Mr P Cuttle, Grant Thornton; Mr J Idle, Head of KCC Internal Audit; Ms F Smith and Ms L Taylor, KCC Internal Audit.

UNRESTRICTED ITEMS

21. Chair's Announcements

(Item A1)

- (1) The Chair thanked Scott Smith for his presentation on KFRS Projects as part of the Member awareness session prior to the Committee.
- (2) The Chair welcomed Claudette Valmond, KMFRA's Monitoring Officer and Helen Ward, KMFRA Deputy Monitoring Officer to their first meeting.
- (3) The Chair welcomed Paul Cuttle, Grant Thornton, to the meeting.
- (4) The Chair welcomed Jonathan Idle, Frankie Smith and Louise Taylor, KCC Internal Audit, to the meeting.

22. Minutes – 29 January 2024

(Item A4)

- (1) RESOLVED that the Minutes of the Audit and Governance Committee meeting held on 29 January 2024, be approved and signed by the Chair as a correct record.

23. Strategic and Corporate Risk Registers

(Item B1 – Report by Chief Executive)

- (1) Since the Committee last received an update on the Corporate Risk Register, work has been ongoing to enhance the Authority's approach to Strategic and Corporate Risks.
- (2) The Committee received the proposed new version of the Register which now includes agreed action plans, which help mitigate or reduce potential risks, a Risk Appetite Statement and Risk Tolerance Matrix.
- (3) In recognition of the work required to fully assess, evaluate and manage the enhanced risk management approach, a dedicated Corporate Risk Manager role will be established.

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- (4) RESOLVED that: -
- (a) the new approach to Strategic and Corporate Risk Register management as attached at Appendix 1 to the report, be approved.
 - (b) the refreshed Risk Management Policy, as attached at Appendix 2 to the report, be approved.
 - (c) the Risk Appetite Statement as attached at Appendix 3 to the report, be approved.
 - (d) the Risk Tolerance Matrix as attached at Appendix 4 to the report, be approved.
 - (e) the new Strategic and Corporate Risk Registers as attached at Appendix 5 to the report, be approved.
 - (f) the creation of a Corporate Risk Manager role be noted.
 - (g) the remaining contents of the report be noted.

24. External Auditors Audit Findings Report for 2022/23

(Item B2 – Report by Director Finance and Corporate Services)

- (1) Mr Paul Cuttle from Grant Thornton, introduced for Members' consideration, the External Auditors Audit Findings Report in relation to the 2022/23 financial year.
- (2) As the Audit review has now been concluded the Financial Statements were signed by both the Director Finance and Corporate Services and the Chair of the Audit and Governance Committee on 28 March 2024.
- (3) Mr Maple, on behalf of the Committee, thanked Paul Cuttle and his team as well as the Director Finance and Corporate Services and her team for their continued hard work.
- (4) RESOLVED that: -
 - (a) the matters raised in the Audit Findings Report for 2022/23 financial year as attached at Appendix 1 to the report, be approved.

25. Internal Audit Annual Report and Audit Opinion for 2023/24

(Item B3 – Report by Director Finance and Corporate Services)

- (1) The Committee received the final Internal Audit Annual Report for 2023/24.
- (2) As part of the Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion to this Committee on the adequacy and effectiveness of the Authority's framework of governance, risk management and controls. The annual opinion, which was assessed as 'substantial' is largely informed by work undertaken as part of the Internal Audit Plan for the 2023/24 financial year and also considers the results of audits from the previous two financial years and any follow-up work undertaken.
- (3) RESOLVED that: -
 - (a) the final Internal Audit Annual Report for 2023/24 as attached at Appendix 1 to the report, be approved.

26. External Auditors Draft Audit Plan for 2023/24

(Item B4 – Report by Director Finance and Corporate Services)

- (1) The Committee received the External Auditors' Draft Audit Plan for the 2023/24 financial year, a summary of key areas which the Auditors are required to review to ensure compliance with auditing standards, as well as the basis for assessment of the Authority's Value for Money arrangements.
- (2) RESOLVED that: -
 - (a) The External Auditors' Draft Audit Plan for 2023/24 as attached at Appendix 1 to the report, be approved.

27. External Auditors Audit Risk Assessment for 2023/24

(Item B5 – Report by Director Finance and Corporate Services)

- (1) Under International Standards on Auditing, Auditors have specific responsibilities to communicate with those charged with governance, which for this Authority is the Audit and Governance Committee. The Auditors are required to gain an understanding of the management processes and the Authority's oversight of key areas to support the development of the Financial Statements.
- (2) The Director of Finance and Corporate Services introduced the Audit Risk Assessment document which sets out the management response to the questions raised by the Auditors. As such Members were asked to consider if the responses as set out in the report, are consistent with their understanding and whether there are any further comments to make.
- (3) RESOLVED that: -
 - (a) the Audit Risk Assessment, as set out in Appendix 1 to this report, be approved.

28. Internal Audit Plan for 2024/25 and Audit Charter

(Item B6 – Report by Director Finance and Corporate Services)

- (1) Ms F Smith, from KCC Internal Audit, introduced for Members' consideration, the proposed Internal Audit Plan for 2024/25, along with the Audit Charter and Key Performance Indicators.
- (2) Mr Maple, on behalf of the Committee, placed on record thanks to Ms Smith and her team for the thorough and valuable work they do for this Authority. He also wished Ms Smith all the very best in her new role.
- (3) RESOLVED that: -
 - (a) the Internal Audit Plan for 2024/25, as set out in Annex 1 of Appendix 1 to the report, be approved.

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- (b) the Internal Audit Charter, as set out in Annex 2 of Appendix 1 to the report, be approved.
- (c) the proposed Key Performance Indicators for the Internal Audit, as set out in Annex 3 to Appendix 1 to the report, be approved.

29. Treasury Management Update for 2023/24

(Item B7 – Report by Director Finance and Corporate Services)

- (1) The Committee received its annual review of treasury management activities and the indicative outturn position for the year. A final treasury outturn report will be provided as part of the suite of documents to support the approval of the 2023/24 Financial Statements at the September meeting of this Committee.
- (2) The Committee gave thanks to the Director of Finance and her team for their excellent work on treasury management activities.
- (3) RESOLVED that: -
 - (a) the provisional year-end report on treasury management activity for 2023/24, be approved.