

# Audit Committee – Supplementary agenda No. 3

**A meeting of the Audit Committee will be held on:**

**Date:** 17 July 2014

**Time:** 7.00pm

**Venue:** Meeting Room 2 - Level 3, Gun Wharf, Dock Road, Chatham ME4 4TR

## Items

- 1. Record of meetings** **(Pages 3 - 8)**

Attached are the minutes of the Joint Meeting of All Committees from 14 May 2014, which were tabled at the meeting.
  
- 5. Statement of Accounts 2013/2014** **(Pages 9 - 10)**

Attached is a revised copy of the Reconciliation of Directorate Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement, which was tabled at the meeting.

**For further information please contact Anthony Law, Democratic Services Officer on Telephone: 01634 332008 or Email: [democratic.services@medway.gov.uk](mailto:democratic.services@medway.gov.uk)**  
**Date: 18 July 2014**



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If you have any questions about this meeting and you want to speak to someone in your own language please ring **01634 335577**

|       |        |         |        |        |        |            |        |       |        |             |        |
|-------|--------|---------|--------|--------|--------|------------|--------|-------|--------|-------------|--------|
| বাংলা | 331780 | ગુજરાતી | 331782 | ਪੰਜਾਬੀ | 331784 | كوردی      | 331841 | ارو   | 331785 | Русский     | 332374 |
| 中文    | 331781 | हिंदी   | 331783 | Polski | 332373 | ଏହିସଂସ୍କୃତ | 331786 | فارسی | 331840 | Lietuviškai | 332372 |

**Medway Council**  
**MEETING OF JOINT MEETING OF ALL COMMITTEES**  
**Wednesday, 14 May 2014**  
**8.06pm to 8.07pm**

**RECORD OF THE MEETING**

**Subject to approval as an accurate record at the next meeting of this committee**

**PRESENT:** Councillors: Avey, Baker, Bowler, Brake, Carr,  
Mrs Diane Chambers, Rodney Chambers, Chishti, Chitty, Clarke,  
Cooper, Craven, Doe, Etheridge, Filmer, Gilry, Christine Godwin,  
Paul Godwin, Griffin, Griffiths, Adrian Gulvin, Pat Gulvin, Harriott,  
Hicks, Hubbard, Igwe, Iles, Jarrett, Juby, Kearney, Kemp,  
Mackinlay, Mackness, Maisey, Maple, Mason, Murray, O'Brien,  
Price, Purdy, Rodberg, Royle, Shaw, Smith, Stamp, Tolhurst,  
Turpin, Wicks and Wildey

|                       |                       |  |
|-----------------------|-----------------------|--|
| <b>In Attendance:</b> | Neil Davies           | Chief Executive  |
|                       | Dr Alison Barnett     | Director of Public Health  |
|                       | Robin Cooper          | Director of Regeneration,<br>Community and Culture                                 |
|                       | Mick Hayward          | Chief Finance Officer  |
|                       | Wayne Hemingway       | Democratic Services Officer  |
|                       | Richard Hicks         | Deputy Director Customer<br>Contact, Leisure, Culture,<br>Democracy and Governance |
|                       | Perry Holmes          | Assistant Director, Legal and<br>Corporate Services/Monitoring<br>Officer          |
|                       | Julie Keith           | Head of Democratic Services  |
|                       | David Quirke-Thornton | Deputy Director, Children and<br>Adults Services                                   |
|                       | John Staples          | Media Manager  |
|                       | Ellen Wright          | Democratic Services Officer  |

**9 Election of Chairman**

The Worshipful the Mayor of Medway (Councillor Kemp) was elected to chair the meeting.

**10 Apologies for absence**

Apologies for absence were received from Councillors Bright, Colman, Hewett, Irvine, Osborne and Watson and Clive Mailing (Roman Catholic voting representative on the Children and Young People Overview and Scrutiny Committee).

## Joint Meeting of all Committees, 14 May 2014

### 11 Declarations of disclosable pecuniary interests and other interests

#### Disclosable pecuniary interests

There were none.

#### Other interests

There were none.

### 12 Appointment of Committee Chairmen and Vice-Chairmen (as set out in appendix A of item 8 on the agenda for the Annual Council meeting)

#### **Discussion:**

The report on the agenda for the Annual Council Meeting 14 May 2014 set out the recommendations for the appointment of Chairmen and Vice-Chairmen of Committees.

The Mayor proposed the recommendations as set out in paragraph 6.2 (i) of agenda item 8 on the Annual Council Meeting agenda.

#### **Decision:**

The Joint Meeting of Committees agreed the appointment of Chairmen and Vice-Chairmen of Committees as set out in Appendix A of agenda item 8 of the Annual Council Meeting agenda.

### 13 Establishment and membership of Sub-Committees and the Welfare Reform Task Group (as set out in appendix B of item 8 on the agenda for the Annual Council meeting)

#### **Discussion:**

The report on the agenda for the Annual Council Meeting 14 May 2014 set out the recommendations for the establishment of Sub-Committees and Task Groups and their membership.

The Mayor proposed the recommendation as set out in paragraph 6.2(ii) of item 8 on the Annual Council Meeting agenda. It was noted in Appendix A to agenda item 8 that with regards to the establishment of the Licensing Hearing Panel and Licensing 1982 Act Hearing Panel, the Licensing and Safety Committee had been asked to waive the requirements of political balance in relation to these Panels as had been the practice in previous years.

#### **Decision:**

The Joint Meeting of Committees agreed that Sub-Committees (with terms of reference as set out in the Council's constitution) and the Welfare Reform Task

## **Joint Meeting of all Committees, 14 May 2014**

Group be established, with their size, allocation of seats to political groups and memberships as set out in Appendix A of item 8 of the Annual Council Meeting agenda (including the waiving of political balance in relation to the Licensing Hearing Panel and the Licensing 1982 Act Hearing Panel).

**Chairman**

**Date:**

**Julie Keith, Head of Democratic Services**

Telephone: 01634 332760

Email: [democraticservices@medway.gov.uk](mailto:democraticservices@medway.gov.uk)

**Joint Meeting of all Committees, 14 May 2014**

.....  
Chairman of the Appointments Committee

Date.....

.....  
Chairman of the Audit Committee

Date.....

.....  
Chairman of the Business Support Overview and Scrutiny Committee

Date.....

.....  
Chairman of the Children and Young People Overview and Scrutiny Committee

Date.....

.....  
Chairman of the Councillor Conduct Committee

Date.....

**Joint Meeting of all Committees, 14 May 2014**

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Chairman of the Employment Matters Committee

Date.....

.....  
Chairman of the Health and Adult Social Care Overview and Scrutiny  
Committee

Date.....

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Chairman of the Licensing and Safety Committee

Date.....

.....  
Chairman of the Planning Committee

Date.....

.....  
Chairman of the Regeneration, Community and Culture Overview and Scrutiny  
Committee

Date.....

**Joint Meeting of all Committees, 14 May 2014**

.....  
Chairman of the School Transport and Curriculum Appeals Committee

Date.....



## Reconciliation of Directorate Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement

This reconciliation shows how the figures in the analysis of directorate income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement.

|  | 2012/13        | 2013/14        |
|--|----------------|----------------|
|  | £'000          | £'000          |
| Net expenditure in Directorate analysis  | 354,969        | 376,425        |
| Net expenditure of services and support services not included in the Analysis                            | (1,311)        | (1,258)        |
| Amounts in the Comprehensive Income and Expenditure Statement not reported to management in the Analysis | (108,811)      | (152,277)      |
| Amounts included in the Analysis not included in the Comprehensive Income and Expenditure Statement      | (110,122)      | (153,535)      |
| <b>Cost of Services in Comprehensive Income and Expenditure Statement</b>                                | <b>244,847</b> | <b>222,891</b> |

## Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the analysis of directorate income and expenditure relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

|   | Directorate Analysis | Services not in Analysis- HRA | Amounts not Reported to Management | Net Cost of Services | Corporate Amounts | Total            |
|---|----------------------|-------------------------------|------------------------------------|----------------------|-------------------|------------------|
| 2013/14   | £'000                | £'000                         | £'000                              | £'000                | £'000             | £'000            |
| Fees, charges & other service income                  | (108,053)            | (14,108)                      | 4,944                              | (117,217)            | (120)             | (117,337)        |
| Interest and investment income                        | 0                    | (37)                          | 37                                 | 0                    | (3,558)           | (3,558)          |
| Income from Council tax                               | 0                    | 0                             | 0                                  | 0                    | (89,756)          | (89,756)         |
| Income from NNDR                                      | 0                    | 0                             | 0                                  | 0                    | (37,820)          | (37,820)         |
| Government grants and contributions                   | (126,201)            | 0                             | (148,660)                          | (274,862)            | (103,486)         | (378,347)        |
| Pension Adjustment                                    | 0                    | 0                             | 0                                  | 0                    | 0                 | 0                |
| <b>Total Income</b>                                   | <b>(234,255)</b>     | <b>(14,145)</b>               | <b>(143,679)</b>                   | <b>(392,079)</b>     | <b>(234,739)</b>  | <b>(626,818)</b> |
| Employee Expenses                                     | 175,717              | 1,623                         | (2,293)                            | 175,047              | 9,203             | 184,250          |
| Other service expenses                                | 362,917              | 7,291                         | (7,031)                            | 363,178              | 12,450            | 375,628          |
| Support service recharge                              | 30,187               | 611                           | 0                                  | 30,799               | 0                 | 30,799           |
| Depreciation, amortisation and impairment             | 41,781               | 3,362                         | 55                                 | 45,197               | 0                 | 45,197           |
| Precepts and levies                                   | 0                    | 0                             | 0                                  | 0                    | 1,259             | 1,259            |
| Payments to Housing Capital Receipts Pool             | 77                   | 0                             | 0                                  | 77                   | 0                 | 77               |
| Gain or loss on disposal of fixed assets              | 0                    | 0                             | 379                                | 379                  | 33,766            | 34,145           |
| Pension Adjustment                                    | 0                    | 0                             | 294                                | 294                  | 0                 | 294              |
| <b>Total Expenditure</b>                              | <b>610,680</b>       | <b>12,887</b>                 | <b>(8,597)</b>                     | <b>614,970</b>       | <b>56,678</b>     | <b>671,648</b>   |
| <b>(Surplus)/Deficit on the provision of services</b> | <b>376,425</b>       | <b>(1,258)</b>                | <b>(152,277)</b>                   | <b>222,891</b>       | <b>(178,061)</b>  | <b>44,830</b>    |

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