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## AUDIT COMMITTEE

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**MINUTES** of the Meeting held in the Committee Room - Swale House on Wednesday, 10 December 2014 from 7.00 - 7.41 pm.

**PRESENT:** Councillors Andy Booth (Vice-Chairman), Derek Conway, John Coulter, Nicholas Hampshire, Harrison and Pat Sandle (Chairman).

**OFFICERS PRESENT:** Richard Clarke, Joanne Hammond, Russell Heppleston, Frankie Smith and Nick Vickers (Swale Borough Council), and Ian Murray and Trevor Greenlee (Grant Thornton).

**ALSO IN ATTENDANCE:** Councillors Duncan Dewar-Whalley (Cabinet Member for Finance).

### 396 DECLARATIONS OF INTEREST

No interests were declared.

### 397 MINUTES

The Minutes of the Meeting held on 17 September 2014 (Minute Nos. 233 – 238) were taken as read, approved and signed by the Chairman as a correct record.

### PART A MINUTE FOR CONFIRMATION BY COUNCIL

### 398 TREASURY MANAGEMENT HALF YEAR REVIEW

The Head of Finance introduced the report which reviewed the mid-year outturn position on treasury management transactions for 2014/15, including compliance with treasury limits and Prudential Performance Indicators. He drew Members' attention to paragraph 2.5 in the report and circulated graphical information from Arlingclose, the Council's treasury advisors.

#### **RECOMMENDED:**

***(1) That the performance information in the report be noted.***

***(2) That the possible reduction in our minimum acceptable credit returns for bank deposits be noted.***

### PART B MINUTES FOR INFORMATION

### 399 ANNUAL AUDIT LETTER

Mr Ian Murray (Engagement Lead, Grant Thornton), introduced the Annual Audit Letter which summarised the key findings from the work carried out by Grant Thornton for the Council for the year ended 31 March 2014.

#### **RESOLVED:**

***(1) That the Annual Audit Letter for Swale Borough Council be noted.***

**400 AUDIT COMMITTEE UPDATE**

Mr Trevor Greenlee (Manager, Grant Thornton) introduced the Audit Committee Update which reported on progress with delivering Grant Thornton's responsibilities as the Council's external auditors, and included a summary of emerging national issues and developments that may be relevant to the Council.

**RESOLVED:**

***(1) That the Audit Committee update be noted.***

**401 INTERNAL AUDIT INTERIM REPORT**

The Head of Audit Partnership introduced the report which provided an update on work conducted by the Internal Audit service for the first half of the year. He explained that the scope of the report had been expanded and drew Members' attention to the key messages contained within the report.

Members thanked the Head of Audit Partnership for a well-written and easy-to-read report and a thorough and informative introduction. They congratulated the Internal Audit Team on their hard work and the improvements made to the service over the past year.

**RESOLVED:**

***(1) That the results of the work of the Internal Audit Team for the first half year, as shown in the report, be noted.***

***(2) That the revised operational audit plan for the remaining year, as outlined in the report, be noted.***

**402 AUDIT COMMITTEE WORK PROGRAMME****RESOLVED:**

***(1) That the Audit Committee draft work programme 2014/15 be noted.***

**403 EXCLUSION OF THE PRESS AND PUBLIC****RESOLVED:**

***That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act:***

***Paragraph 1 – information relating to any individual.***

***Paragraph 3 – information relating to the financial or business affairs of any particular person (including the authority holding that information).***

***Paragraph 7 – information relating to any action taken in connection with the prevention, investigation or prosecution of any crime.***

**PART B MINUTE FOR INFORMATION**

**404 INVESTIGATION SUMMARY REPORT**

The Chairman introduced the investigation summary report. The Head of Finance and Head of Audit Partnership gave assurances that revised internal procedures had been implemented to address issues arising from the investigation, and they would continue to brief the Audit Committee Chairman.

**RESOLVED:**

***(1) That the report be noted.***

Chairman

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All Minutes are draft until agreed at the next meeting of the Committee/Panel