
AUDIT COMMITTEE

MINUTES of the Meeting held in the The Sapling Room, The Appleyard, Avenue of Remembrance, Sittingbourne, Kent, ME10 4DE on Tuesday, 15 November 2022 from 7.00 pm - 7.25 pm.

PRESENT: Councillors Derek Carnell (Chair), Simon Clark, Ann Hampshire, Angela Harrison and Pete Neal.

PRESENT (Virtually): Councillor Denise Knights.

OFFICERS PRESENT: Billy Attaway and Lisa Fillery.

OFFICERS PRESENT (Virtually): Duncan Ellis, Julie Hetherington, Kellie MacKenzie, Richmond Nyarko (Grant Thornton), Deborah Walton and Darren Wells (Grant Thornton).

ALSO IN ATTENDANCE (Virtually): Councillors Cameron Beart, Steve Davey, Tim Gibson and Ken Rowles.

APOLOGIES: Councillors Peter Macdonald and Peter Marchington.

441 **Declarations of Interest**

No interests were declared.

442 **Minutes**

The Minutes of the Meeting held on 25 July 2022 (Minutes Nos. 209 – 218) were taken as read, approved and signed by the Chair as a correct record.

Part B Minutes for information

443 **Statement of Accounts and Audit findings**

The Interim Head of Finance and Procurement introduced the report which outlined the Council's Annual Financial Report for 2021/2022 and included the external Auditor's Audit Findings report for the Committees consideration. The Interim Head of Finance and Procurement thanked the Council's Finance team and the external Auditors, Grant Thornton, for their hard work to get the Annual Financial Report ready for the Committee.

The Chair invited Darren Wells, Grant Thornton, to speak. Mr Wells said that it was Grant Thornton's view that the accounts were good quality, there were small suggested changes which were shown in appendix B of the report and the Council had no risks or weaknesses that were evident in the Audit Findings.

Councillor Angela Harrison proposed the recommendation as set out in the report and this was seconded by Councillor Simon Clark.

Resolved:

- (1) That the external auditor's Audit Findings Report (Appendix I to the report) be noted.**
- (2) That the Letter of Representation (Appendix II of the report) be approved on behalf of the Council.**
- (3) That the Annual Financial Report for the year ended 31 March 2022 (Appendix III of the report), including adjustments set out in the Audit Findings Report be approved.**
- (4) That the Chair of the Audit Committee signs and dates the Annual Financial Report for the year ended 31 March 2022.**

444 Half year Treasury Management Report

The Interim Head of Finance and Procurement introduced the report which set out the Treasury Management Half Year Report 2022/2023. He clarified with members that the recent increases in interest rates had resulted in the Council's investment income increasing but also potentially had an effect on the Council's future borrowing costs. He said that any assumptions made previously regarding interest costs would need to be revisited ahead of entering into any new borrowing arrangements. The Interim Head of Finance and Procurement assured the Committee that all key performance indicators had been met and complied with.

Councillor Simon Clark proposed the recommendation as set out in the report and this was seconded by Councillor Pete Neal.

Resolved:

- (1) That the performance information in the report be noted.**
- (2) That the prudential and treasury management indicators within the report be noted.**

445 Interim Audit and Assurance Report

The Audit Manager introduced the report which set out the information and progress made by the Audit team up to 31 October 2022 and provided an update on the resource changes within Mid-Kent Audit Partnership team. She informed the Committee that the new Head of Audit would be starting in early December 2022 and it was hoped that the Audit Plan could be finalised early 2023.

A member asked a question on page 26 of the Audit Plan which referred to the Audit of the Elections team to commence in December 2022. They were concerned that the Elections team would be working hard on organising voters' ID for the Borough elections and would not be able to appropriately assist the auditors. In response, the Director of Resources said that the planning process for the Elections audit had started but the delivery of the election would take priority and the audit could be delayed if there were any issues.

A member requested that heads of service attend future committee meetings to report on high priority outstanding audit actions that had not been resolved by the agreed deadlines.

Councillor Ann Hampshire proposed the recommendations as set out in the report and this was seconded by Councillor Pete Neal.

Resolved:

- (1) That the work completed so far on the 2022/23 Audit & Assurance Plan be noted.**

Chair

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