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## AUDIT COMMITTEE

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**MINUTES** of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT on Monday, 30 January 2023 from 7.01 pm - 7.17 pm.

**PRESENT:** Councillors Derek Carnell (Chair), Simon Clark, Mike Henderson (Vice-Chair), Denise Knights, Richard Palmer and Tony Winckless (Substitute for Councillor Angela Harrison).

**OFFICERS PRESENT:** Philippa Davies, Lisa Fillery, Claire Stanbury and Katherine Woodward.

**OFFICERS PRESENT (Virtually):** Kellie MacKenzie and Richmond Nyarko (Grant Thornton).

**ALSO IN ATTENDANCE (Virtually):** Councillors Steve Davey and Tim Gibson.

**APOLOGIES:** Councillors Ann Hampshire, Angela Harrison and Peter Marchington.

### 615 **Declarations of Interest**

No interests were declared.

### 616 **Minutes**

The Minutes of the Meeting held on 15 November 2022 (Minute Nos. 441 – 451) were taken as read, approved and signed by the Chair as a correct record.

### **Part A Minutes for recommendation to the Policy and Resources Committee**

### 617 **Treasury Management Strategy 2023/4**

The Head of Finance and Procurement introduced the report which set out the management of the Council's cash flows, borrowing and investments. She drew attention to a typo on the final table in Appendix I, where the figure should read + £6.6million in terms of the liability benchmark for 31 March 2025. She acknowledged the global economic situation and said there were no real changes on how treasury measurement would be managed.

A Member referred to Housing Repair Loans as set out on page 13 of the report and asked about the loan not having to be paid back after a period of 10 years and the subsequent risk to the Council. The Director of Resources said that the Housing Repair Loans were a formal arrangement with homeowners and would be expected to be paid back as agreed within the arrangement, but she confirmed that she would double check this information.

A Member acknowledged that what the Council borrowed for was not part of the treasury management but sought clarification that there was an overall rule that money was only borrowed to finance things within the Borough. The Director of Resources confirmed that the Council's borrowing was to support the Capital Programme and that this was for matters within the Borough.

Councillor Richard Palmer proposed the recommendation and this was seconded by Councillor Mike Henderson.

***Resolved:***

***(1) That it be recommended to the Policy and Resources Committee that the Treasury Management Strategy 2023/24 and the Prudential and Treasury Management Indicators be approved.***

**Part B Minutes for Information**

**618 Interim Internal Audit & Assurance Report 2022/23**

The Head of Audit Partnership introduced the report which summarised progress towards delivering the plan up to December 2022. She explained that there had been resource challenges within her team, and there were now three vacancies to fill. This had led to some issues in delivery of the Audit and Assurance Plan. The Head of Audit Partnership highlighted the progress made as set out on page 27 of the report. She said that it was not uncommon for audits to be finalised late in the year, and drew attention to paragraph 13 in the Plan, and said that, based on those factors, she was confident that an audit opinion could be provided.

A Member raised some concern as to whether the remaining audits could be completed by year-end. In response, the Head of Audit Partnership said she was confident that the work would be completed by the end of May 2023.

Councillor Mike Henderson proposed the recommendation and this was seconded by Councillor Simon Clark.

***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