

TONBRIDGE AND MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

Monday, 27th September, 2021

Present: Cllr Mrs F A Kemp (Chairman), Cllr N Foyle (Vice-Chairman), Cllr T Bishop, Cllr R I B Cannon, Cllr J R S Lark and Cllr M R Rhodes

Councillors Mrs J A Anderson, V M C Branson, M D Boughton, M A Coffin, M Hood, Mrs A S Oakley, J L Sergison and K B Tanner participated via MS Teams and joined the discussion when invited to do so by the Chairman in accordance with Council Procedure Rule No 15.21.

An apology for absence was received from Councillor N J Heslop.

PART 1 - PUBLIC

AU 21/41 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

AU 21/42 MINUTES

RESOLVED: That the Minutes of the meeting of the Audit Committee held on 26 July 2021 be approved as a correct record and signed by the Chairman.

MATTERS FOR RECOMMENDATION TO THE CABINET

AU 21/43 TREASURY MANAGEMENT UPDATE AND MID-YEAR REVIEW

The report of the Director of Finance and Transformation provided an update on treasury management activity undertaken during April to August of the current financial year. A mid-term review of the Treasury Management and Annual Investment Strategy for 2021/22 was also presented.

The report provided a commentary on investments derived from cash flow surpluses, core cash balances and other long term cash balances. A full list of investments held on 31 August 2021 was set out at Annex 1 to the report.

RECOMMENDED: That the following be recommended to the Council:

- (1) the action taken by officers in respect of treasury management activity for April to August 2021 be endorsed; and

- (2) the existing parameters intended to limit the Council's exposure to investment risks be retained.

***Referred to Cabinet**

DECISIONS TO BE TAKEN UNDER DELEGATED POWERS IN ACCORDANCE WITH PART 3 OF THE CONSTITUTION (RESPONSIBILITY FOR COUNCIL FUNCTIONS)

AU 21/44 RISK MANAGEMENT

The report of the Management Team provided an update on the risk management process and the Strategic Risk Register. Members were reminded that a number of risks on the Strategic Risk Register had been re-categorised as RED as a result of the Covid-19 pandemic.

RESOLVED: That the updates to the Strategic Risk Register be noted.

AU 21/45 STATEMENT OF ACCOUNTS 2020/21 AND EXTERNAL AUDITORS REPORT ON THE OUTCOME OF THE AUDIT OF THE ACCOUNTS

The report of the Director of Finance and Transformation presented an audited set of Accounts for 2020/21 in the format specified by the Code of Practice on Local Authority Accounting in the United Kingdom.

The Committee was reminded that responsibility for approval of the Statement of Accounts was delegated to the Audit Committee under the Council's constitutional arrangements and advised that the Statement of Accounts had been circulated as a supplemental report.

RESOLVED: That

- (1) the audited set of Accounts for 2020/21, as set out in Annex 1, be received and the Chairman of the Audit Committee be authorised to sign the Accounts in the appropriate place;
- (2) the Audit Findings Report on the outcome of the audit of the Statement of the Accounts for 2020/21 be approved; and
- (3) the Chairman of the Audit Committee and the Director of Finance and Transformation be granted delegated authority to countersign the Letter of Representation when Grant Thorndon issue their opinion.

MATTERS SUBMITTED FOR INFORMATION**AU 21/46 INTERNAL AUDIT AND COUNTER FRAUD UPDATE**

Members were provided with an update on the work of both the Internal Audit function and the Counter Fraud function for the period April 2021 to August 2021.

The shared service agreement between Tonbridge and Malling Borough Council and Kent County Council had been signed and would begin on the 1 October 2021, following which Kent County Council would provide all Internal Audit and Counter Fraud services for the Borough Council, including the transfer of the Fraud Officer and Intelligence Officer to Kent County Council. Progress made against the 2021/22 Plan was also reported and noted.

Since publishing the report, a further draft audit report had been issued and a further audit was nearing completion. There were another five audits currently being undertaken in fieldwork and two others currently being planned with the business.

Member's attention was brought to the investigation of fraud, bribery and corruption and highlighted that in 2021/22, a total of 72 referrals were received.

RESOLVED: That the report be received and noted.

AU 21/47 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, it was seconded and

RESOLVED: That as public discussion would disclose exempt information, the following matters be considered in private.

PART 2 - PRIVATE**MATTERS SUBMITTED FOR INFORMATION****AU 21/48 INSURANCE CLAIMS HISTORY**

(LGA 1972 Sch 12A Paragraph 3 – Financial or business affairs of any particular person)

The report of the Director of Finance and Transformation informed Members as to the nature and volume of liability and property damage insurance claims submitted during the period April 2021 to August 2021.

RESOLVED: That the report be received and noted.

The meeting ended at 8.11 pm