

TONBRIDGE AND MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

Monday, 21st January, 2019

Present: Cllr V M C Branson (Chairman), Cllr R P Betts (Vice-Chairman),
Cllr O C Baldock, Cllr T Bishop and Cllr Mrs F A Kemp

Grant Thornton, External Auditors: Mr P Dossett (Partner) and
Mr A Ayre (Manager)

Councillors N J Heslop and M R Rhodes were also present pursuant
to Council Procedure Rule No 15.21.

An apology for absence was received from Councillor S R J Jessel

PART 1 - PUBLIC

AU 19/1 DECLARATIONS OF INTEREST

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

AU 19/2 MINUTES

RESOLVED: That the Minutes of the meeting of the Audit Committee
held on 1 October 2018 be approved as a correct record and signed by
the Chairman.

MATTERS FOR RECOMMENDATION TO THE CABINET

AU 19/3 RISK MANAGEMENT STRATEGY

The report of the Management Team invited Members to review the Risk
Management Strategy and accompanying Risk Management Guidance
which set out the Council's risk management objectives and detailed the
roles and responsibilities of officers, Members and partners in the
identification, evaluation and cost-effective control of risks.

RECOMMENDED: That the Risk Management Strategy and
accompanying Risk Management Guidance be commended to Cabinet
for adoption by Council.

AU 19/4 TREASURY MANAGEMENT UPDATE AND TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2019/20

The report of the Director of Finance and Transformation provided
details of investments undertaken and return achieved in the first nine

months of the current financial year and introduced the 2019/20 Treasury Management and Annual Investment Strategy.

RECOMMENDED: That the following be commended to the Council

- (1) the treasury management position as at 31 December 2018 and the higher level of income incorporated in the 2018/19 revised estimates be noted; and
- (2) the Treasury Management and Annual Investment Strategy for 2019/20, as set out at Annex 4 to the report, be adopted.

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

AU 19/5 ANNUAL REVIEW OF ANTI-FRAUD POLICIES AND WHISTLEBLOWING POLICY

The report of the Director of Finance and Transformation set out details of the outcome of the annual review of the Anti-Fraud, Bribery and Corruption Policy, the Housing Benefit Anti-Fraud Policy, the Council Tax Reduction, Discounts and Exemptions Anti-Fraud Policy and the Whistleblowing Policy.

RESOLVED: That

- (1) the Anti-Fraud Policies, as set out at Annexes 1, 2 and 3 to the report, be approved; and
- (2) the General Purposes Committee be invited to approve the Whistleblowing Policy as set out at Annex 4 to the report.

AU 19/6 INTERNAL AUDIT CHARTER

The report of the Chief Audit Executive provided details of the outcome of the review of the Internal Audit Charter.

RESOLVED: That the Internal Audit Charter, set out at Annex 1 to the report, be approved.

AU 19/7 ANNUAL REVIEW OF ANTI-MONEY LAUNDERING POLICY

The report of the Director of Finance and Transformation set out details of the annual review of the Council's Anti-Money Laundering Policy and associated guidance notes. Members noted that, following approval, the policy would be circulated to all staff with computer access via Netconsent and would be available on the Council's internal and external websites.

RESOLVED: That the Anti-Money Laundering Policy and supporting guidance notes, as set out at Annexes 1 and 2 to the report, be approved.

AU 19/8 ACCOUNTING POLICIES

The report of the Director of Finance and Transformation set out details of the proposed Accounting Policies to be used in the preparation of the 2018/19 Financial Statements.

RESOLVED: That the Accounting Policies to be used in the preparation of the 2018/19 Financial Statements, as set out at Annex 1 to the report, be approved.

AU 19/9 PROPOSED SCALE OF AUDIT FEES 2019/20

The report of the Director of Finance and Transformation set out details of the proposed scale of audit fees for the work to be undertaken by appointed auditors in respect of the 2019/20 financial statements. It was noted that the scale was the same as that set for 2018/19.

RESOLVED: That the proposed scale of audit fees for 2019/20 be noted.

MATTERS SUBMITTED FOR INFORMATION

AU 19/10 INTERNAL AUDIT AND COUNTER FRAUD UPDATE

The report of the Chief Audit Executive provided an update on the work undertaken by the Internal Audit and the Counter Fraud functions for the period April to December 2018.

RESOLVED: That the report be received and noted.

AU 19/11 GRANT THORNTON CERTIFICATION LETTER 2017/18

The report of the Director of Finance and Transformation summarised the outcomes of certification work undertaken by the Council's external auditors, Grant Thornton, for 2017/18. It was noted that no amendments were required to the subsidy claim after the audit and Members congratulated the team for their performance record.

RESOLVED: That the report be received and noted.

AU 19/12 GRANT THORNTON - 2018/19 AUDIT PLAN AND PROGRESS REPORT

The report of the Director of Finance and Transformation introduced two papers from the external auditors, the 2018/19 Audit Plan and Audit Progress Report and Sector Update. The Committee had earlier

welcomed to the meeting Mr Paul Dossett, a Partner at Grant Thornton, together with Andy Ayre (Audit Manager), who presented the reports.

RESOLVED: That the report be received and noted.

AU 19/13 EXCLUSION OF PRESS AND PUBLIC

There were no items considered in private.

The meeting ended at 8.10 pm