
Audit Committee

MINUTES of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT on Wednesday, 15 October 2025 from 7.00 pm - 7.50 pm.

PRESENT: Councillors Andy Booth, Derek Carnell, Ann Cavanagh (Substitute for Councillor Simon Clark), Charles Gibson (Chair), Angela Harrison, Tara Noe, Terry Thompson and Dolley Wooster.

OFFICERS PRESENT: Lisa Fillery, Ade O Oyerinde (Grant Thornton), Ooha Putthuru (Grant Thornton), Philippa Richardson and Claire Stanbury.

OFFICERS PRESENT (VIRTUALLY): Katherine Woodward.

APOLOGIES: Councillors Simon Clark and Richard Palmer.

393 **Emergency Evacuation Procedure**

The Chair outlined the emergency evacuation procedure.

394 **Minutes**

The Minutes of the Meeting held on 16 July 2025 (Minute Nos. 190 – 196) were taken as read, approved and signed by the Chair as a correct record.

395 **Declarations of Interest**

No interests were declared.

396 **Audit Committee Annual Report 2024/25**

The Chair introduced the report as set out in the agenda papers. He outlined the headings within the report, and said there were a few areas where the Audit Committee could improve and welcomed suggestions for training sessions that Councillors would like. The Chair proposed that the word 'Vice-Chair' be added to recommendation (2) and Members agreed with this.

The Chair invited Members to ask questions and make comments, and these included:

- Noted that only one Member had been in attendance at all the 2024/25 Audit Committee meetings;
- it was important that Members made more of an effort to attend the meetings;
- Audit Committee was an interesting committee and had an impact on the workings of the Council, and together with the associated briefing sessions it was an informative committee, especially for new Members; and
- suggested the table set out under 'Membership and Meetings' be made clearer to include who the substitute was for those Members who had given their apologies for a particular meeting.

In response, the Head of Audit Partnership said she would amend the report to make it clearer as minuted above.

Councillor Angela Harrison proposed the recommendations (with the Chair's amendment), which were seconded by Councillor Andy Booth.

Resolved:

(1) That the Audit Committee Annual Report for 2024/25 at Appendix I to the report be agreed.

(2) That the Chair or the Vice-Chair of the Audit Committee presents the report to a meeting of Full Council to demonstrate how the Committee had discharged its duties.

397 Treasury Management Quarterly Report April - June 2025

The Head of Finance and Procurement introduced the report as set out in the agenda papers, and drew attention to the two appendices. She concluded that there were no issues of concern to highlight.

Councillor Derek Carnell proposed the recommendations, which were seconded by Councillor Terry Thompson.

Resolved:

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

(2) That the prudential and treasury management indicators within the report be noted.

398 Annual Financial Report 2024/25 and Audit Findings Report

The Chair invited Ade Oyerinde, Key Audit Partner (Grant Thornton) to speak. He introduced the Audit Findings Report, the Letter of Representation and the Annual Financial Report 2024/25 as set out in the agenda papers.

Audit Findings Report

The Key Audit Partner reported that their audit was substantially completed and the financial statements were complete and accurate. He drew attention to adjustments made to the Council's accounts due to a previously disclosed prior year error of £2.085m; highlighted the bullet points on page 44 of the agenda pack; gave an update to say the outstanding matters had been resolved and that they were waiting for some additional papers before the closing procedure; and that there were no serious issues.

The Key Audit Partner reported that their Value for Money work was substantially completed and they were satisfied with the arrangements the Council had in place. He drew attention to the key significant risk areas on page 61 of the agenda pack, all rated as 'green'.

The Key Audit Partner said there were no plans to vary the Audit fee.

The Chair invited Members to ask questions and make comments, and these included:

- Applauded the quality of the document and it was very clear to understand;
- noted that it was 'substantially completed', would it be completed by Full

Council?;

- had the £2m error impacted the Council in a negative way?; and
- concerned, with reference to 'employee benefit expenditure' on page 77 of the agenda pack and that a member of staff could be receiving more than one salary at Swale Borough Council (SBC).

In response, the Key Audit Partner said the outstanding working papers should be ready within a week. He said the £2m error was a technical entry in the accounts and had no impact on the Council's reserves

The Director of Resources explained that SBC's payroll system had processes in place to minimise the risk of fraud and monthly reports were produced for managers which doubled up the checking process.

Letter of Representation

The Key Audit Partner said the following amendment needed to be made to point xi on page 96 of the agenda pack, to change *from*: 'We have considered the unadjusted misstatements schedule included in your Audit Findings Report' *to* 'We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached to this letter'.

Annual Financial Report 2024/25

The Key Audit Partner reported that there were no key recommendations, and one improvement was raised as set out on page 221 of the agenda pack.

The Chair invited Members to ask questions and make comments, and these included:

- Welcomed the report, and wondered how other councils were not getting as good a report as SBC was;
- acknowledged the staff talent at SBC and wondered why other local authorities were not able to employ such experienced staff;
- recognised the amount of work SBC staff were doing and concerned that workloads would increase after the devolution and local government reform (LGR);
- considered staff might need support;
- welcomed the internal Swale awards scheme and wanted to praise staff who had compiled and written the reports;
- concerned that SBC had not established a long-term savings programme; and
- sought information on how the Director of Resources and the Head of Finance and Procurement had improved and would continue to improve the accounts in the future.

The Director of Resources said that a lot of other local authorities were more complex than SBC, and therefore could be harder to audit, and delays in accounting could have a knock-on effect over into other years and these caused further delays. The Key Audit Partner referred to the complexity of local authority audits and questioned whether there were enough experienced auditors within the market. There could also be issues of nobody being held to account, and the whole audit process could be overwhelming. He added that Grant Thornton tried to support local government and sign-off as much as

they could and help to catch up and keep on top of the audit process.

In response to a statement, the Director of Resources confirmed that there were no current vacancies within the Finance team at SBC. She said that matters regarding LGR would become clearer once SBC knew the geographies following reorganisation. The Director of Resources referred to the savings programme issue and said SBC could plan once the budget gap was known. She outlined the ways that the accounts were being improved which included de-cluttering, shrinking notes, deleting repeat wordings, and changing formatting on tables to look more visually appealing, and this would continue going forward.

Councillor Booth proposed the recommendations, which were seconded by Councillor Harrison.

Resolved:

- (1) That the external auditor's Audit Findings Report at Appendix I to the report be noted.***
- (2) That the Letter of Representation at Appendix II to the report be approved on behalf of the Council, subject to the change in wording to point xi from: 'We have considered the unadjusted misstatements schedule included in your Audit Findings Report' to 'We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached to this letter'.***
- (3) That the Annual Financial Report for the year ended 31 March 2025 at Appendix III to the report, including the adjustments set out in the Audit Findings Report be approved.***
- (4) That the Chief Executive and Leader sign the Annual Governance Statement for the year ended 31 March 2025.***
- (5) That the Chair of the Audit Committee signs and dates the Annual Financial Report for the year ended 31 March 2025.***
- (6) That the external Auditor's Annual Report including the recommendations and management responses at Appendix IV to the report be noted.***

Chair

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