

**AUDIT COMMITTEE
5 JULY 2012**

Present: Councillors Birch, Cartwright (Vice-Chair), Corello, Poole and Pragnell (Chair).

1. DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

2. MINUTES

RESOLVED – (unanimously) that the minutes of the meeting held on 19 March 2012 be approved and signed by the Chair as a true record.

3. ANNUAL TREASURY MANAGEMENT REPORT

The Head of Finance presented his report on the Treasury Management activities and performance during the last financial year to provide the Audit Committee with the opportunity to scrutinise the report before it is considered by Cabinet.

The report was set out in accordance with the Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. The report concluded that the returns on investments had been greater than budget expectations.

The Head of Finance answered questions from Members.

RESOLVED – (unanimously) that the Audit Committee notes the report and that there were no areas that it wished to draw to the attention of Cabinet.

4. ANNUAL AUDIT REPORT 2011/12 TO COUNCIL

The Chief Auditor submitted his report on the annual review of the effectiveness of Internal Audit to Council.

The report was set out in accordance with Regulation 6 of the Accounts and Audit Regulations (England 2011). It sets out the review of internal control and assurance gathering process as required by the statute and accompanying guidance.

The conclusion of the report informs the Annual Governance Statement and the Committee were assured that the Authority's overall internal control was considered to be satisfactory.

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Members asked questions of the Chief Auditor.

RESOLVED – (unanimously) that the Audit Committee approve the report for presentation to Council.

5. FIGHTING FRAUD LOCALLY

The Chief Auditor presented his report for the Committee to comment on the Hastings Anti-Fraud Strategy for combating public sector fraud – ‘Fighting Fraud Locally’. The Audit Committee was asked to scrutinise the strategy and to draw to Cabinet’s attention any matters it considered important.

The Chief Auditor referred to the internal controls and procedures that the Council has in place to mitigate against the risk of fraud. He also highlighted the responsibilities detailed at appendix 2 of the report set out for Members, management and all staff.

Members asked questions of The Chief Auditor and the Head of Finance.

The Head of Finance advised that an e-learning package on preventing fraud had recently been released by Deloitte’s working in partnership with the National Fraud Authority and would be reviewed to see if it was suitable for training staff.

The Committee stated that the strategy was thorough and following scrutiny of it did not have any issues to draw to the attention of Cabinet.

Councillor Birch proposed that the Committee amend the recommendation as set out in the resolution below and agreed by the Committee:-

RESOLVED – (unanimously) that Cabinet be recommended to approve the strategy.

6. CHIEF AUDITOR’S SUMMARY AUDIT AND RISK REPORT

The Chief Auditor presented his report to the Committee on the audit findings of the Debtors audit report.

The report concluded that controls over Debtors are good. The controls that are in place work effectively and there are no significant audit concerns.

Members asked questions and sought clarification from officers on the recommendation made and were given satisfactory assurances.

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RESOLVED – (unanimously) that the Audit Committee accept the report.

(The Chair declared the meeting closed at 6.37pm)