

STEVENAGE BOROUGH COUNCIL

SPECIAL AUDIT COMMITTEE MINUTES

Date: Thursday 17 February 2011

Time: 6.00 p.m.

Place: Shimkent Room, Daneshill House, Danestrete, Stevenage

Present: Councillors: L Chester (Chair), P Bibby CC, D Cullen,
J Gardner, B Jackson and R Parker CC.

In Attendance:

Started: 6.00 p.m.

Ended: 6.55 p.m.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

An apology for absence was received from Independent Member Mr Brian Mitchell.

There were no declarations of interest.

2. MINUTES - AUDIT COMMITTEE – 13 DECEMBER 2010

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 13 December 2010 be approved as a correct record and signed by the Chair.

3. PRUDENTIAL CODE INDICATORS AND TREASURY MANAGEMENT STRATEGY

The Committee received a presentation from the Head of Finance outlining details of the Council's Treasury Management Strategy.

The Committee was advised that the level of the Council's balances had reduced since 2005/06 due to falling capital receipts and reduced interest rates.

The Committee was further advised that due to market conditions and low rates of interest there was little to be gained in using long term deposits and gilts had not been used as the Council's cash flow would not permit a sufficient level of deposit to make the administrative charges worthwhile.

In reply to a question the Committee was advised that the operational and authorised borrowing limits were self imposed.

In reply to a further question the Committee was advised that due to the complexity involved benchmarking exercises with other Councils were very difficult to do.

The Committee was advised that the budget included provision for capital repayments on loans.

There were no comments on the report to be forwarded to Council.

It was **RESOLVED**:

1. That Council be recommended to adopt the 2011/12 Treasury Management Strategy as detailed in Appendix A.
2. That Council be recommended to adopt the Prudential Code Indicators as detailed in Appendix A, attachment six.

4. CHANGES TO ACCOUNTS AND AUDIT REGULATIONS 2003

The Head of Finance presented a report to update the Committee on changes to the Accounts and Audit Regulations 2003 that were currently under construction.

The Committee was advised that with the change in financial reporting arrangements there would be a need to report fourth quarter performance against budget to the Executive in July.

In reply to a question it was confirmed that there would no longer be a requirement to submit joint accounts for SBC and SHL. The Head of Finance confirmed that SHL accounts were audited similarly to SBC accounts and undertook to find out who would sign off the SHL accounts.

In reply to a further question the Head of Finance undertook to prepare a report on Group Accounts for the March meeting.

It was confirmed that the Legal Officer had been requested to clarify the regulations concerning which senior officer's salaries needed to be disclosed.

It was **RESOLVED** that the report be noted.

5. URGENT PART I BUSINESS

None.

6. EXCLUSION OF THE PRESS AND PUBLIC

It was **RESOLVED**:

1. That under Section 100 (A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1-7 of Part I of Schedule 12A of the Act, as amended by SI 2006 No.88.

2. That having considered the reasons for the following report being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

PART II

7. PART II MINUTES – 13 DECEMBER 2010

It was **RESOLVED** that the Part II Minutes of the meeting of the Audit Committee held on 13 December 2010 be approved as a correct record and signed by the Chair.

8. URGENT PART II BUSINESS

The Head of Finance advised the committee of a Part II report that would be prepared for the Executive in March 2011.

Chair