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AT A MEETING of the Audit Committee of HAMPSHIRE COUNTY COUNCIL
held at the castle, Winchester on Thursday, 2nd March, 2023

Chairman:

* Councillor Alexis McEvoy

* Councillor Tim Davies
Councillor Steven Broomfield
* Councillor Dominic Hiscock
Councillor Keith House
* Councillor Mark Kemp-Gee
* Councillor Derek Mellor
Councillor Michael Thierry

* Councillor Andy Tree
* Councillor Tom Thacker

*Present

93. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Steven Broomfield and Keith House. Councillor Tom Thacker was in attendance as the Conservative substitute.

94. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Personal interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 4 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

95. MINUTES OF PREVIOUS MEETING HELD ON 22 DECEMBER 2022 (PUBLIC)

The public minutes of the meeting held on 22 December 2022 were agreed as a correct record and signed by the Chairman.

96. DEPUTATIONS

No deputations were received by the Committee on this occasion.

97. CHAIRMAN'S ANNOUNCEMENTS

There were no announcements.

98. **TREASURY MANAGEMENT STRATEGY STATEMENT 2023/24 TO 2025/26**

Members received a report of the Director of Corporate Operations presenting the Treasury Management Strategy Statement for 2023/24 to 2025/26

Members heard that despite a declining position in the cash investment balance, as per the County Council's agreed budget, this still reflected a significant reserves and working capital balances to be invested, even after the pre-payment of pension contributions.

In accordance with its borrowing strategy the County Council were not anticipating any requirement to take on new borrowing, however would continue to take advice from Arlingclose and would identify any opportunity to make favourable repayment of previous borrowing.

In response to Members questions it was heard that.

- The County Council had a number of funding sources available for use without the need for external borrowing, with the majority of the capital programme met through grant funding. The County Council's strong financial position had allowed it to take advantage of internal borrowing to finance a portion of its capital programme. Any funds held on behalf of third parties where interest is due to be paid would be paid at base rates.
- An allocation of up to £320 million was available for external pooled fund investments. There were no immediate plans to change the current portfolio of pooled fund investments, however this would be kept under regular review with the Council's advisors Arlingclose.

RESOLVED:

That the Audit Committee notes the following recommendations that were made to Cabinet:

- That the Treasury Management Strategy for 2023/24 (and the remainder of 2022/23) be approved.
- That authority is delegated to the Director of Corporate Operations to manage the County Council's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.

99. **INFORMATION COMPLIANCE - USE OF REGULATED INVESTIGATORY POWERS**

The Committee considered the report of the Director of Universal Services, regarding the County Council's use of regulated investigatory powers.

It was noted that there had been no use of surveillance powers during the last quarter, in line with the previous two quarters and was reflective of a decline in the use of powers at a national level. Whilst the use of powers had not been required in the year to date, oversight of their possible use was being undertaken on an ongoing basis.

Members further heard that over the previous 18 months the County Council had moved towards a more intelligence led process, which had reduced the need for covert work. The amount of information available through open source had enabled successful outcome of investigatory activity without the need for covert activity.

In response to Members questions it was heard that telephone fraud often originated from countries outside of the UK and such scams were investigated by a national trading standards team. Locally within Hampshire, Trading Standards had focussed on public education, to support residents to identify and keep themselves safe from telephone fraud.

RESOLVED:

That the Audit Committee received and noted the data regarding the County Council's use of surveillance powers.

100. MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD - 30 SEPTEMBER 2022 (PUBLIC)

The Committee received and noted the non-exempt minutes of the Hampshire Pension Fund and Board meeting held on 30 September 2022.

101. EXCLUSION OF THE PRESS AND PUBLIC

The press and public were excluded from the meeting during the following items of business, as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would have been disclosure to them of exempt information within Paragraphs 3 and 5 of Part I Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, for the reasons set out in the minutes.

102. MINUTES OF PREVIOUS MEETING HELD ON 22 DECEMBER 2022 (EXEMPT)

The exempt minutes of the meeting held on 22 December 2022 were agreed as a correct record and signed by the Chairman.

103. MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD MEETING - 30 SEPTEMBER 2022 (EXEMPT)

The Committee received and noted the exempt minutes of the Hampshire Pension Fund and Board meeting held on 30 September 2022.

