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AT A MEETING of the Audit Committee of HAMPSHIRE COUNTY COUNCIL
held at the castle, Winchester on Thursday, 19th December, 2019

Chairman:

* Councillor Keith Evans

* Councillor Alexis McEvoy
* Councillor Dominic Hiscock
* Councillor Keith House
* Councillor Mark Kemp-Gee
* Councillor Derek Mellor
a Councillor Floss Mitchell

Councillor Rob Mocatta
a Councillor Tom Thacker

*Present

136. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Floss Mitchell and Tom Thacker.

137. **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 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 5 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.

138. **MINUTES OF PREVIOUS MEETING HELD ON 23 JULY 2019**

The minutes of the meeting held on 23 July 2019 were agreed as a correct record and signed by the Chairman.

139. **DEPUTATIONS**

There were no deputations at this meeting.

140. **CHAIRMAN'S ANNOUNCEMENTS**

There were no announcements at this meeting.

141. INFORMATION COMPLIANCE - USE OF REGULATED INVESTIGATORY POWERS

The Committee considered the report of the Director of Transformation and Governance – Corporate Services giving an update on the data regarding the County Council’s use of regulated investigatory powers between April and September 2019.

RESOLVED:

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

142. INTERNAL AUDIT PROGRESS REPORT

The Committee considered a report of the Deputy Chief Executive and the Director of Corporate Resources with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan and to provide an overview of the status of ‘live’ reports.

RESOLVED:

That the Internal Audit Progress report for the period to November 2019 be noted.

143. PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS) - EXTERNAL ASSESSMENT

The Committee considered a report of the Deputy Chief Executive and Director of Corporate Resources on the Public Sector Internal Audit Standards (PSIAS) – external assessment (Item 8 in the Minute Book).

During discussion, it was reported that the Director of Corporate Resources was currently the President of CIPFA, one of the organisations being considered for carrying out the independent external assessment. It was noted that the Director was not present at this meeting.

RESOLVED:

That the Committee noted arrangements for the pending external assessment of the Southern Internal Audit Partnership against the Public Sector Internal Audit Standards.

144. TREASURY MANAGEMENT MONITORING REPORT 2019/20

The Committee considered a report of the Deputy Chief Executive and Director of Corporate Resources on the Treasury Management mid-year monitoring report 2019/20 (Item 9 in the Minute Book).

Key points in the report were highlighted and Members were made aware that some of the detail around the uncertainty of Brexit would now change due to the General Election last week.

In response to Members' questions, the Committee were made aware that the increase in net investment of £3.7m (shown in Table 2 of the report) reflects the combination of repayment of the Public Works Loan Board borrowing £1.5m and a small increase in investment balances of £2.2m.

RESOLVED:

That the Audit Committee noted the following recommendations being reported to Cabinet and Full Council:

That the mid-year review of treasury management activities be noted.

145. MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD MEETING - 12 JULY, 26 JULY AND 27 SEPTEMBER 2019 (LESS EXEMPT MINUTES)

The Committee received and noted the non-exempt minutes of the Hampshire Pension Fund and Board meetings held on 12 July, 26 July and 27 September 2019.

146. RISK MANAGEMENT ARRANGEMENTS

The Committee considered a report and exempt appendix from the Director of Transformation and Governance (Items 11 and 13 in the Minute Book).

During discussion, it was heard that:

- Departments were responsible for identifying, evaluating, and managing their own risks. Through a series of operational and strategic risk registers, held at departmental and corporate level, the County Council identifies, evaluates, mitigates and monitors its key risks.
- Oversight of the strategic risk registers is undertaken by the Risk Management Board, which actively monitors Department and Corporate Risk Registers.
- The table in the exempt appendix currently showed a high-level summary and the Committee felt that more detail was needed for future reports.

In considering the report, the Committee agreed that in future this report be brought back on an annual basis. It was also agreed that Officers would explore the options as to how the risk register could be reported to Cabinet in the future.

RESOLVED:

The Committee noted the contents of the report and exempt appendix and the risk management arrangements in place across the County Council.

147. 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.

148. RISK MANAGEMENT ARRANGEMENT - EXEMPT APPENDIX

See Minute 146 above.

149. MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD MEETING - 12 JULY, 26 JULY AND 27 SEPTEMBER 2019 (EXEMPT MINUTES)

The Committee received and noted the exempt minutes of the Hampshire Pension Fund and Board meetings held on 12 July, 26 July and 27 September 2019.

Chairman, 20 February 2020