

AT A MEETING of the AUDIT COMMITTEE of the COUNTY COUNCIL held at The Castle, Winchester on 27 September 2012.

PRESENT:

p Councillor K. Evans (Chairman)

p J. Bryant  
p V. Clarke  
p B. Dash  
a J. Frankum

p M. Geddes  
p A. Gibson  
p E. Neal  
p C. Thomas

Hassan Rohimun, Audit Manager of the Audit Commission also attended this meeting.

**Prior to the commencement of this meeting, Members received training on the Statement of Accounts for 2011/12 and the role of the Audit Committee.**

140 **APOLOGIES**

Apologies for absence were received from Councillor Jane Frankum.

141 **DECLARATIONS OF INTEREST**

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting were asked to declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, consider whether to 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 all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

No declarations of interest were made at the meeting.

142 **MINUTES**

The Minutes of the meeting held on 28 June 2012 were considered and agreed by the Committee and signed by the Chairman as a correct record.

143 **CHAIRMAN'S COMMUNICATIONS**

No announcements were made.

144 **A TOOLKIT FOR LOCAL AUTHORITY AUDIT COMMITTEES – SELF ASSESSMENT**

The Committee considered the report of the Director of Corporate Resources – Corporate Services (Item 5 in the Minute Book) regarding the assessment and proposed action plan of the Audit Sub Group against the “Toolkit for Local Authority Audit Committees”.

Key areas of the report were highlighted, including an update given by the Chairman of the Audit Sub Group. Members noted the results of members assessments, which were detailed in Paragraph 3.3 and Appendix 4 of the report.

Although training had been provided prior to this meeting, it was noted that no formal training programme was in place. However, it was acknowledged that this would change in the future and that a programme would be worked upon over the coming year and brought back to a future meeting in early 2013. Members agreed that one area which could be explored was a review of accounting policies.

**RESOLVED:**

That assessment and proposed action plan of the Audit Sub Group against the “Toolkit for Local Authority Audit Committees” be approved.

145 **THE EFFECTIVENESS OF THE PROCESS OF INTERNAL AUDIT**

The Committee considered the report of the Director of Corporate Resources – Corporate Services (Item 6 in the Minute Book) summarising the measures currently in place to monitor internal audit effectiveness, which is required under the Accounts and Audit (England) Regulations 2011.

Members noted that assessments were carried out by the Monitoring Officer and that of the 106 standards highlighted, 104 were shown to be compliant and 2 partially compliant.

**RESOLVED:**

- (a) That the review conducted in assessing the “Effectiveness of the System of Internal Audit” be approved.
- (b) That the Action Plan generated from the review of the “Effectiveness of the System of Internal Audit” be endorsed.

146 **INTERNAL AUDIT PROGRESS REPORT**

The Committee considered a report of the Director of Corporate Resources – Corporate Services (Item 7 in the Minute Book) which gave an overview of the internal audit activity against assurance work completed with the approved audit plan and of the status of “live”

reports for the period up to August 2012.

Members noted that in accordance with the Public Sector Internal Audit Standards, to be introduced in April 2013, Internal Audit would be subject to external assessment at least once every five years.

**RESOLVED:**

That the Internal Audit Status of Work for the period up to August 2012 as detailed in Appendix 1 of the report be noted.

**147 INFORMATION COMPLIANCE – USE OF REGULATORY POWERS**

The Committee considered the report of the Director of Policy and Governance - Corporate Services (Item 8 in the Minute Book) detailing the way in which the County Council uses its Regulatory Investigatory Powers.

Members noted the robust processes for authorising and monitoring of all its surveillance activities and that these powers were only exercised in the prevention and detection of a crime and where it was lawful and proportionate to do so.

It was also noted that in future reports on these activities would be submitted to this Committee on a quarterly basis and a more formal summary to be submitted on a yearly basis.

**RESOLVED:**

That the report be noted.

**148 ANNUAL GOVERNANCE REPORT AND DRAFT ANNUAL AUDIT LETTER**

The Committee received the Annual Governance report for 2011/12 and the Draft Annual Audit letter (Item 9a and b respectively in the Minute Book) from Hassan Rohimun from the Audit Commission.

In noting the documents the Committee were made aware that the Draft Audit Letter would be submitted to Cabinet at its October meeting.

**149 STATEMENT OF ACCOUNTS – 2011/12**

The Committee considered the report of the Director of Corporate Resources – Corporate Services (Item 10 in the Minute Book) regarding the County Council's Statement of Accounts for 2011/12.

Members raised a number of questions and queries which were

answered at the meeting. The County Council was required to publish its statement of accounts by 30 September 2012. It was noted that should any amendments to the Statements be required prior to issue of the audit opinion and to the publication of Statement of Accounts, the Director of Corporate Resources be authorised to make any such amendment.

The published Statement of Accounts, together with a short summary, would be made available to all members of the County Council either in electronic form or by circulation of a printed document.

Accordingly, it was

**RESOLVED:**

- (a) That the Statement of Accounts for 2011/12 as set out in Appendix 2 of the report be approved.
- (b) That the Director of Corporate Resources – Corporate Services be given delegated authority to approve any minor amendments to the Statement of Accounts be approved.