

AT A MEETING of the AUDIT COMMITTEE of the COUNTY COUNCIL held at The Castle, Winchester on 5 December 2013.

PRESENT:

p Councillor Keith Evans (Chairman)

p John Bennison  
p Vaughan Clarke  
p Adrian Collett  
p Andrew Gibson

p Roger Huxstep  
p Tony Hooke  
p Mark Kemp-Gee  
p George Ringrow

Hassan Rohimun, Audit Manager of Ernst & Young also attended this meeting.

**24. APOLOGIES**

No apologies of absence were received for this meeting.

**25. 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.

**26. MINUTES**

The Minutes of the meeting held on 26 September 2013 were agreed as a correct record and signed by the Chairman.

**27. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman reported on a recent Pension Fund training event he had attended on infrastructure investing and an outlook on the UK economy, both of which he had found helpful and informative. He confirmed that a copy of the slides used for this event would be sent to all Members of this Committee.

**28. ANTI FRAUD AND CORRUPTION POLICY STATEMENT AND STRATEGY**

The Committee considered a report of the Director of Corporate Resources – Corporate Services (Item 5 in the Minute Book) seeking approval to the County Council's Anti Fraud and Corruption Policy Statement and Strategy. The Director reported that this Policy Statement and Strategy was last presented to Members of

the Audit Committee in 2009 and, in accordance with good practice, was subject to yearly review to reflect the latest professional guidance and legislative change.

Members noted that these documents provided the framework for the County Council to maintain its commitment to deter and combat fraud and corruption, both of which had the endorsement of both the County Council's Chief Executive and Leader.

**RESOLVED:**

That the Anti Fraud and Corruption Policy Statement and Strategy be approved

**29. BRIBERY ACT POLICY**

The Committee considered a report of the Director of Corporate Resources – Corporate Services (Item 6 in the Minute Book) seeking approval to the County Council's policy on the Bribery Act.

The Director reported that this Act came into force in 2011, creating a number of new offences around bribing of another person, failure to prevent bribery and bribery of foreign public officials. Members were informed that the County Council was committed to the highest ethical standards and had adopted a wide range of policies and procedures to re-enforce its commitment to meet the requirements of the Act and help ensure that robust prevention procedures were maintained.

**RESOLVED:**

That the County Council's Bribery Act Policy be approved.

**30. EFFECTIVENESS OF THE ROLE OF INTERNAL AUDIT**

The Committee considered a report of the Director of Corporate Resources – Corporate Services (Item 7 in the Minute Book) giving an overview of the measurers currently in place to monitor and maintain internal audit effectiveness.

Members noted that assessments were carried out by the Deputy Monitoring Officer and that of the 341 standards highlighted, 298 were shown to be compliant.. In areas where it showed partial or non-compliance, the Committee noted that an action plan had been put in place to stimulate improvement in these areas.

**RESOLVED:**

- i. That the review conducted in assessing the Effectiveness of the System of Internal Audit be approved.
- ii. That the Action plan generated from the assessment against the Public Sector Internal Audit Standards be endorsed.

**31. TREASURY MANAGEMENT – MID-YEAR MONITORING REPORT 2013/14**

The Committee considered a report of the Director of Corporate Resources – Corporate Services (Item 8 in the Minute Book) outlining the treasury management activities during the year to date.

Councillor Gibson declared a non-pecuniary interest in this item as his son is employed by Ernst and Young.

Members raised a number of questions and queries which were answered at the meeting. The Director also agreed to advise Members of details of those charitable trusts which the County Council had financial involvement.

**RESOLVED:**

That the mid-year review of treasury management activities, including the updated investment limits for non-specified investments in section 4.7 of the report be noted.

**32. ANNUAL AUDIT LETTER**

The Committee received and noted the annual audit letter from the County Council's auditors, Ernst and Young (Item 9 in the Minute Book).

**33. MINUTES OF THE PENSION FUND PANEL MEETING – 12 JULY 2013 – LESS EXEMPT MINUTE (FOR INFORMATION)**

The Committee received and noted the minutes of the Pension Fund Panel meeting on 12 July 2013 (Item 10 in the Minute Book).

**34. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:**

That, in relation to the following item, the public be excluded from the meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public are present during this item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that, in all the circumstances the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the exempt minute.

**35. EXEMPT MINUTE OF THE PENSION FUND PANEL MEETING – 12 JULY 2013 (FOR INFORMATION)**

The Committee received and noted the exempt appendix to Item 10 above (Item 12 in the Minute Book).