

AT A MEETING of the AUDIT COMMITTEE of the COUNTY COUNCIL held at The Castle, Winchester on 25 March 2010.

PRESENT:

p Councillor K. Evans (Chairman)

p. F. Allgood.
p J. Bryant
p. V. Clarke
p B. Dash

p M. Geddes
p A. Gibson
p C. Leversha
p C. Thomas

33 DECLARATIONS OF INTEREST

All Members who believed they have a personal or prejudicial interest in any matter to be considered at the meeting were asked to declare that interest and, having regard to the circumstances described in paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter is discussed, save for exercising any right to speak in accordance with paragraph 12 of the Code. The declaration should be made at the time of the relevant debate.

Councillors F. Allgood and B. Dash declared personal, non-prejudicial interests in agenda items 9 and 11 (Pension Fund Panel minutes) as members of the HCC Pension Fund Panel.

34 MINUTES

The Minutes of the meeting held on 22 December 2009 were agreed and signed by the Chairman as a correct record.

35 AUDIT COMMISSION - AUDIT PROGRESS REPORT

Kate Handy, representing the Audit Commission, presented the Commission's Audit Progress Report 2009/10 (Item 5 in the Minute Book) and this was received and noted by the Committee.

36 INTERNATIONAL FINANCIAL REPORTING STANDARDS IMPLEMENTATION - PROJECT UPDATE

The Committee considered the report of the County Treasurer (Item 6 in the Minute Book) providing an update following the report on 1 September 2009 regarding the required implementation of International Financial Reporting Standards (IFRS) for the financial year 2010/11.

On behalf of the Audit Commission, Kate Handy circulated at the meeting to assist the Committee with their transition plan, a check-list on the countdown to IFRS. (Item 6(a) in the Minute Book). It was noted that other briefing papers on this matter were available on the Audit Commission website at www.audit-commission.gov.uk/IFRS.

Members were made aware of the developments that have taken place in terms of standards and guidance and noted progress so far with the project, including the main issues associated with implementation. They congratulated officers on work already done by the County Council following the feedback from Audit Commission staff praising the Council's detailed project plan against which the project is being monitored. They noted that they would receive a further report on the project at their September meeting and that this would include illustrative comparisons of the effect of applying new and old accounting presentations.

RESOLVED:

- (a) That the Committee note the progress made and the work still required for the successful implementation of the IFRS Code of Practice.
- (b) That a further report on IFRS implementation be considered by the Committee in September 2010 and that this include an explained visual comparison of the effect of applying new and old accounting presentations.

37 **INTERNAL AUDIT STRATEGY UPDATE 2010**

The Committee considered the report of the County Treasurer (Item 7 in the Minute Book). The report summarised progress in implementing the audit strategy for the County Council, the internal audit plan for the period 2010/11 and confirmed that no further changes to the internal audit strategy or terms of reference for internal audit are being proposed at this time. The County Treasurer clarified for Members several points contained within the report.

RESOLVED:

- (a) That the Committee endorses the view that the current terms of reference for the internal audit service and the internal audit strategy, as amended for schools in 2009, remain valid.
- (b) That the Committee endorse the internal audit plan for 2010/11 to 2012/13.

38 AUDIT COMMISSION REVIEW OF THE MANAGEMENT OF THE DISPOSAL OF LAND AND BUILDINGS

The Committee considered the report of the Director of Property, Business and Regulatory Services (Item 8 in the Minute Book) outlining the outcome of a recent Audit Commission Review into the County Council's management of the disposal of its land and buildings.

In addition to the Audit Commission's main conclusions, two recommendations had been identified in relation to the County Council documenting its disposals policy and updating its procedural guidance. Members noted that, whilst relatively minor in nature, they were nonetheless helpful and therefore in the process of being implemented. The Committee asked to receive, for its consideration and comment, the Authority's intended disposals document.

Accordingly, it was

RESOLVED:

- (a) That the outcomes of the Audit Commission Review of the management of the disposal of land and buildings be welcomed, in view of its overall conclusion that the County Council's current approach is sound.
- (b) That the response to the specific recommendations for improvement contained within the action plan prepared by the Audit commission be noted.
- (c) That the Director of Property, Business and Regulatory Services arrange for the Audit Committee to receive as soon as available the County Council's intended disposals policy document for consideration and comment.

39 PENSION FUND PANEL - MINUTES OF 20 NOVEMBER 2009

The Committee considered the Minutes of the Pension Fund Panel meeting held on 20 November 2009 (Item 9 in the Minute Book).

RESOLVED:

That the Minutes of the Pension Fund Panel held on 20 November 2009 be received.

40 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 were present during the item there would be disclosure to them of exempt information within Paragraph 3 and/or 4 of Part 1 of 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 outweighs the public interest in disclosing the information, for the reasons set out in the report.

41 **MINUTES OF PENSION FUND PANEL MEETING - 20 NOVEMBER 2009 (EXEMPT APPENDICES)**

The Committee received the exempt appendices accompanying the Minutes of the Pension Fund Panel meeting held on 20 November 2009 (Item 11 in the Minute Book).

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