

AT A MEETING of the Audit Committee of HAMPSHIRE COUNTY COUNCIL
held at The Castle, Winchester on Thursday, 8th February, 2018

Chairman:
p. Councillor Keith Evans

p. Councillor Alexis McEvoy	a. Councillor Floss Mitchell
a. Councillor Adrian Collett	a. Councillor Rob Mocatta
p. Councillor Dominic Hiscock	p. Councillor Tom Thacker
p. Councillor Mark Kemp-Gee	p. Councillor Lance Quantrill
p. Councillor Derek Mellor	

45. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Adrian Collett, Floss Mitchell and Rob Mocatta. Councillor Lance Quantrill was in attendance as the Conservative substitute.

46. 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 Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 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.

47. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 14 December 2017 were agreed as a correct record and signed by the Chairman.

48. DEPUTATIONS

There were no deputations.

49. CHAIRMAN'S ANNOUNCEMENTS

There were no announcements.

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

The Committee received and noted the presentation of the Director of Transformation and Governance (Item 6 in the Minute Book) which showed that the County Council had not used its surveillance powers during the third quarter of 2017/18.

51. **TREASURY MANAGEMENT STRATEGY AND INVESTMENT STRATEGY 2018/19 TO 2020/21**

The Committee considered the report of the Director of Corporate Resources – Corporate Services (Item 7 in the Minute Book) detailing the County Council's Treasury Management Strategy and Investment Strategy for 2018/19 to 2020/21.

RESOLVED:

That the following recommendations being made to Cabinet be noted:

- i) That Cabinet approve the Treasury Management Strategy and Annual Investment Strategy for 2018/19 (and the remainder of 2017/18) including:
- Prudential Indicators for 2018/19, 2019/20 and 2020/21 – Appendix C
 - Minimum Revenue Provision (MRP) Statement – Appendix D
 - That authority is delegated to the Director of Corporate Resources to manage the Council's investments according to the risk assessment process in the Investment Strategy as appropriate.
 - To approve investments of up to £35m for up to 20 years in the Manydown joint venture in which the County Council has a significant interest.
 - To delegate authority to the Director of Corporate Resources to approve investments in the Manydown joint venture in consultation with the Executive Member for Policy and Resources.

52. **ANNUAL AUDIT PLANS FOR HAMPSHIRE COUNTY COUNCIL AND HAMPSHIRE PENSION FUND FOR 2017/18**

The Committee received the Annual Audit Plans for Hampshire County Council and the Hampshire Pension Fund for 2017/18 (Item 8 in the Minute Book).

The Auditor highlighted the main points of the Plans and in particular advised that following a change in internal guidance it was now possible to set pension fund planning materiality at 2% of net assets, subject to internal consultation and approval, previously the limit was 1% of net assets.

The Auditor outlined to the Committee that they considered it appropriate to set performance materiality at 2% for Hampshire Pension Fund, and had received internal approval for this in early February, which was after the plan had been drafted. Members heard that therefore the planning materiality, performance materiality and audit differences shown on pages 83 and 87 would be double the

amount included in the plan and that the Committee would be updated on the actual levels used in the audit results reports at its meeting in July.

RESOLVED:

That the Committee notes the annual audit plans from the external auditors for both Hampshire County Council and the Hampshire Pension Fund for 2017/18.

53. **MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD MEETING - 3 NOVEMBER 2017 (LESS EXEMPT)**

The Committee received and noted the non-exempt minutes of the Hampshire Pension Fund and Board meeting held on 3 November 2017 (Item 9 in the Minute Book).

54. **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.

55. **MINUTES OF THE HAMPSHIRE PENSION FUND PANEL AND BOARD MEETING - 3 NOVEMBER 2017 (EXEMPT)**

The Committee received and noted the exempt minutes of the Hampshire Pension Fund and Board meeting held on 3 November 2017 (Item 11 in the Minute Book).