

Meeting of the Full Council - 27 February 2020

Report of the Audit, Risk and Governance Committee

Meeting held on 28 October 2019

Chair: County Councillor Alan Schofield

Part I (Open to Press and Public)

The Annual Audit Letter for Lancashire County Council and Lancashire County Pension Fund 2018-19

The committee considered the Annual Audit Letter which summarised the outcome of the work of the external auditors in 2018/19. The report, presented by Robin Baker, Director, Grant Thornton and Angela Pieri, Senior Manager, Public Sector Audit, Grant Thornton, included the key messages in relation to the financial statements audit and audit opinion, and value for money conclusion.

Resolved: That the Annual Audit Letter for 2018/19, as presented, be noted.

External Audit - Audit Progress Report and Sector Update 2019/20

The committee considered the External Audit Progress Report and Sector Update 2019/20 as of October 2019, presented by the council's external auditors, Grant Thornton: Robin Baker, Director and Angela Pieri, Senior Manager for Public Sector Audit.

Resolved: That the External Audit Progress Report and Sector Update 2019/20, as presented, be noted.

Internal Audit Progress Report

The committee considered the Internal Audit Service's work, presented by Ruth Lowry, Head of Internal Audit. The report included updates on including key findings, issues of concern and action being taken as a result of internal audit work, the internal audit progress report and outcomes of the work for 2019/20 for the period to 30 September 2019.

Resolved: That

- (i) The Internal Audit Progress report be noted.
- (ii) The committee receive an update report at the 27 January 2020 meeting from the relevant executive directors regarding the progress made toward addressing the actions identified from audit work from 2017/18 for the following areas:
 - transition from children's to adult services;

- personal budgets for children's service users and direct payments to their carers; and
- case management of occupational therapy services.

Treasury Management Activity 2019/20

The committee considered the Treasury Management Activity for the first half of the financial year 2019/20, presented by Mike Jensen, Director of Investment.

Resolved: That

- (i) The Treasury Management Activity for the first half of the financial year 2019/20, as presented, be noted.
- (ii) An increase in the Authorised Borrowing Limit from £1,375m to £1,600m for the remainder of 2019/20, be recommend to Full Council for approval.

Meeting held on 27 January 2020

Chair: County Councillor Alan Schofield

Part I (Open to Press and Public)

Code of Conduct – Summary of Complaints

The committee considered The Code of Conduct report, presented by Laura Sales, Director of Corporate Services and Monitoring Officer. The report detailed a summary of all complaints received in 2019 against county councillors under the Code of Conduct.

Resolved: That the Audit, Risk and Governance Committee note the summary as presented.

Update Report: Outstanding Actions from 2017/18 Audit Work, Adult and Children's Services

The committee considered an update regarding outstanding audit actions from 2017/18, presented by Ian Crabtree, Director of Adult Social Care Transformation and Sarah Callaghan, Director of Education and Skills. The report detailed the progress made toward the following outstanding actions:

- Transition from children's to adult services
- Personal budgets for children's service users and direct payments to their carers
- Case management of adult occupational therapy services

Resolved: That the Audit, Risk and Governance Committee note the progress made against the outstanding internal audit actions from 2017/18.

Internal Audit Progress Report

The committee considered the Internal Audit Service's work, presented by Ruth Lowry, Head of Internal Audit. The report included key findings, issues of concern and actions undertaken as a result of the work. The report included the final internal audit progress report and outcomes of the work for 2019/20 for the period to 31 December 2019.

Resolved: That

- (i) The Internal Audit progress report, as presented, be noted.
- (ii) Adult and Children's Service officers present a report to 19 October 2020 Audit, Risk and Governance Committee, updating members of progress made against areas with limited assurance.

External Audit Progress Report and Sector Update 2019/20

The committee considered the External Audit Progress Report and Sector Update 2019/20 as of January 2020, presented by the council's external auditors, Grant Thornton: Robin Baker, Director and Angela Pieri, Senior Manager for Public Sector Audit.

Resolved: That the external audit progress report and sector update 2019/20, as presented, be noted.

Grant Thornton's Request for Information from the Committee Chair

The committee considered the proposed response to Grant Thornton's request for information from the Chair of the committee, presented by Khadija Saeed, Head of Corporate Finance.

Resolved: That the formal response to Grant Thornton's request for information from the Chair of the committee, as presented, be approved.

Grant Thornton's Request for Information from Management

The committee considered the proposed response to Grant Thornton's request for information from management, presented by Khadija Saeed, Head of Corporate Finance.

Resolved: That the formal response to Grant Thornton's request for information from management, as presented be approved.

Accounting Policies used in the Preparation of the Statement of Accounts 2019/20

The committee considered the Accounting Policies used in the preparation of the Statement of Accounts 2019/20, presented by Khadija Saeed, Head of Corporate Finance.

Resolved: That the accounting policies proposed to be used in the preparation of the Statement of Accounts 2019/20, as presented, be approved.

Treasury Management Strategy 2020/21

The committee considered the Treasury Management Strategy for 2020/21, presented by Mike Jensen, Director of Investment.

Resolved: That the Treasury Management Strategy 2020/21, as presented, be recommended to Full Council for approval.

Corporate Risk & Opportunity Register Quarter 3 2019/20

The committee considered an update regarding the Corporate Risk and Opportunities register for quarter three, presented by Paul Bond, Head of Legal and Democratic Services.

Resolved: That the updated Corporate Risk and Opportunity Register, as presented, be noted.

County Councillor Alan Schofield
Chair