

Report of the Audit and Governance Committee - Matters for Information

The following matters were considered by the Audit and Governance Committee at its meeting on 25 March 2013:

1. Internal Audit Service Progress Report

Ruth Lowry, chief internal auditor, presented a report on the work undertaken by the Internal Audit Service for the period to 28 February 2013.

It was reported that during the period since December 2012, the Internal Audit Service had reported assurance in relation to emergency planning, payment of staff expenses, officers' declarations of interest and of gifts and hospitality, and the carbon reduction commitment.

Reference was made to a briefing meeting held on 11 March 2013 between members of the committee and officers to discuss the progress being made to re-invigorate the council's information governance arrangements. The committee was advised that measures had been put in place and that the County Secretary and Solicitor had been appointed to the role of senior information risk officer (SIRO). Despite this assurance the committee reiterated their concern that the council was not compliant with the standards required for information governance. It considered that the council's information governance arrangements exposed the council to significant risk which should be reflected in the county council's annual governance statement with an indication that appropriate action would be taken to remedy the situation. It was agreed that the Chair of the committee would write to the chief executive and the monitoring officer drawing attention to these concerns.

Decision Taken: i) That the internal audit progress report for the period to 28 February 2013 as now presented, be noted.

ii) That the significant risk posed by the council's information governance arrangements be reflected in the county council's annual governance statement for the year ending 31 March with an indication that appropriate action would be taken to remedy the situation following the transfer of the senior information risk officer (SIRO) responsibilities to the Council.

iii) That the Chair of the committee be requested to write to the chief executive and the monitoring officer drawing attention to the concerns of the committee in relation to the council's information governance arrangements.

2. Internal Audit Plan for 2013/14

Ruth Lowry, chief internal auditor, presented the outline annual internal audit work plan for 2013/14 which set out the plan of work to be undertaken by the county council's Internal Audit Service for the coming financial year.

Reference was made to the services provided to the council by One Connect Limited (OCL). It was suggested that the annual internal audit plan should provide details of each OCL service area to be audited.

Reference was also made to the council's risk management arrangements. Following discussion and questions to the chief internal auditor, it was agreed that a report on risk management would be presented to a future meeting.

Decision Taken: i) That subject to the inclusion of each OCL service area to be audited, the outline audit plan and process for 2013/14 be approved.

ii) That a report on risk management be presented to a future meeting of the committee.

3. External Audit Lancashire County Council and Lancashire County Pension Fund Annual Audit Plans 2012/13

Karen Murray and Fiona Blatcher, Director and Associate Director of Grant Thornton respectively presented the External Audit Plans for the audit of the county council and the pension fund for 2012/13.

The Audit Plans set out the main risk areas which the audits would focus on. These included the council's financial statements and value for money.

Decision Taken: - That the External Audit Plans for the audit of the County Council and the County Pension Fund for 2012/13, and the fees therein, be noted.

4. External Audit Lancashire County Council Annual Certification Work Report 2011/12

Karen Murray, Director, Grant Thornton, presented a report on a summary of the Audit Commission's work on certifying the council's 2011/12 claims and returns.

Decision Taken: That the report be noted.