

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 30 June 2015:

Part I (Open to Press and Public)

Update on Treasury Management Activity

The Committee considered a review of Treasury Management activities in 2014/15. Management activities were regulated by the CIPFA Code of Practice and it was best practice to review treasury management activities on a regular basis.

The review included:

- A review of the economic conditions during 2014/15;
- Borrowing activity;
- Investment activity; and
- Actual results measured against 2014/15 Prudential indicators and Treasury Management Indicators

Decision Taken

The Committee noted the review of treasury management activities in 2014/15.

The Council's Code of Corporate Governance

The Committee considered a draft revised Code of Corporate Governance for the County Council.

It was noted that the revised Code included an updated Action Plan and sources of evidence to provide clarity about how the Council used the principles of the Code in practice.

Decision Taken

The Committee agreed:

- i. That the draft revised Code of Corporate Governance, as presented, be recommended to the Full Council for approval.
- ii. That the Full Council be recommended to agree to the Code of Corporate Governance being reviewed on an annual basis.

Internal Audit Service annual report to Lancashire County Council for 2014/15

The Committee considered the Internal Audit annual report for 2014/15.

The report summarised the work of the Internal Audit Service during 2014/15 and the key themes arising in relation to internal control, governance and risk management across the council.

Decision Taken

The Committee noted the Internal Audit annual report to the authority for 2014/15.

The Council's Annual Governance Statement 2014/15

The Committee considered a draft revised version of the Annual Governance Statement (AGS) for 2014/15.

It was noted that the revised AGS incorporated the opinions expressed in the Internal Auditor's annual report and the Council's response to the emerging governance issues.

Decision Taken

The Committee:

- i. Agreed that, subject to the Key Issues section of the Annual Governance Statement being expanded to include further details about the key strategic risks and opportunities, the draft of the AGS for 2014/15, as presented, be approved for inclusion in the draft Statement of Accounts.
- ii. Noted that the Annual Governance Statement will be signed by the Chief Executive and Leader of the Council and published on the Council's website following the final approval of the Statement of Accounts at the Committee's meeting on 28 September 2015.

External audit update report

The Committee considered an External Audit update report including progress to date with the 2014/15 audit of accounts, Value for Money (VfM) conclusion and other work. The report also provided additional information on emerging issues and developments.

Decision Taken

The Committee noted the External Audit update report.

Response of Chair of Audit Committee to Grant Thornton request for information to support its compliance with International Standards on Auditing

The Committee considered a response to Grant Thornton's request for information to support its compliance with international standards on auditing and quality control.

Decision Taken

The Committee agreed that the response to Grant Thornton's request for information to support its compliance with international standards on auditing and quality control, as presented, be approved and signed by the Chair of the Committee.

External Audit - Lancashire County Pension Fund Audit Plan 2014/15

The Committee considered a report on the External Audit Plan for the audit of the Pension Fund for 2014/15.

The Audit Plan set out the main risk areas which the audit would focus on and how the audit team planned to obtain the necessary assurances.

Decision Taken

The Committee agreed the External Audit Plans for the audit of the County Pension Fund for 2014/15, and the fees therein.

Part II (Not Open to Press and Public)

Whistleblowing, Counter- Fraud and Special Investigations Annual Report 2014/15

(Not for Publication – Exempt information as defined in Paragraphs 1, 2, 3 and 7 of Part 1 of Schedule 12A to the Local Government Act, 1972. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interests in disclosing the information).

The Committee considered the Internal Audit Service annual whistleblowing, special investigations and counter-fraud report for 2014/15.

Decision Taken

The Committee noted the Internal Audit Service annual whistleblowing, special investigations and counter-fraud report for 2014/15.