

Meeting of the Full Council - 18 July 2019

Report of the Audit, Risk and Governance Committee meeting held on 20 May 2019

Chair: County Councillor Alan Schofield

Part I (Open to Press and Public)

Internal Audit Progress Report

The Committee considered a report outlining the updates on the Internal Audit Service's work. The report included key findings, issues of concern and actions undertaken as a result of the work.

Resolved: That the Internal Audit progress report as presented be noted.

Internal Audit Annual Report 2018/19

The Committee considered the Internal Audit annual report for 2018/19 which summarised the work undertaken in this period and the key themes arising in relation to internal control, governance and risk management across the county council.

Resolved: That the Internal Audit annual report for 2018/19 be noted.

The Council's Annual Governance Statement 2018/19 & Code of Corporate Governance

The Committee reviewed both the 2018/19 Council's Annual Governance Statement (to be included in the Annual Statement of Accounts) and the Code of Corporate Governance.

Resolved: That

- (i) The draft Annual Governance Statement for 2018/19 be approved for inclusion in the draft Statement of Accounts.
- (ii) It be noted that the Annual Governance Statement would be signed by the Chief Executive and Director of Resources (S151) and Leader of the Council and published on the Council's website following the final approval of the Statement of Accounts.
- (iii) The Committee had considered the updated Code of Corporate Governance and had not proposed any amendments for recommendation to Full Council.

Corporate Risk and Opportunity Register Quarter 1 2019/20

The Committee considered the quarter one Corporate Risk and Opportunity Register for 2019/20.

Resolved: That the updated Corporate Risk and Opportunity Register as set out be noted.

Internal Audit Annual Plan 2019/20

The Committee received a report explaining the approach to establishing the audit plan for 2019/20 and the work proposed to support the overall opinion for the year on the council's framework of governance, risk management and control.

Resolved: That the internal audit plan 2019/20 be approved.

Grant Thornton's Request for Information from Management

The Committee considered the management response to external auditors Grant Thornton's request for information.

Resolved: That the management response to Grant Thornton's request for information be approved.

Grant Thornton's Request for Information from the Committee Chair

The Committee considered the Chair of the Committee's response to external auditors Grant Thornton's request for information.

Resolved: That the Chair of the Committee's response to Grant Thornton's request for information be approved.

External Audit - Lancashire County Council Audit Plan 2018/19

The Committee reviewed the annual audit plan for Lancashire County Council for 2018/19. The plan set out the auditor's understanding of the issues and risks the council faced and the nature and scope of work that would be carried out to discharge their statutory responsibilities.

Resolved: That the External Audit plan for the audit of Lancashire County Council for 2018/19 and the fees therein be approved.

External Audit - Lancashire County Pension Fund Audit Plan 2018/19

The Committee reviewed the annual audit plan for Lancashire County Pension Fund for 2018/19. The plan set out the risks and issues that had been agreed with officers and the Pensions committee earlier this year.

Resolved: That the External Audit plan for the audit of Lancashire County Pension Fund for 2018/19 and the fees therein, be approved.

External Audit - Audit Progress Report and Sector Update 2018/19

The Committee considered an update in terms of progress, in delivering the audit for both the County Council and the pension fund.

Resolved: That the external audit progress report and sector update 2018/19 be noted.

External Audit - Fee Letter for Lancashire County Council and Lancashire County Pension Fund 2019/20

The Committee reviewed the proposed fee letter for the audit work to be undertaken by Grant Thornton in respect of Lancashire County Council and the Lancashire County Pension Fund for 2019/20. It was confirmed that the fee would remain as 2018/19 at £87,006 for Lancashire County Council and £26,310 for the Lancashire County pension fund. This was in line with the scale fee set by the appointing body.

Resolved: That the fees for the audit work to be undertaken by Grant Thornton in respect of Lancashire County Council and Lancashire County Pension Fund for 2019/20 be approved.

Neighbourhood Wellbeing Grants Update

The Committee reviewed an update on the monitoring activity in relation to the Neighbourhood Wellbeing Grants awarded in 2016/17.

Resolved: That:

- (i) The update be noted and officers be thanked for their efforts in delivering the monitoring information.
- (ii) Members of the committee be provided with an update outside of the meeting on further progress with the outstanding monitoring in due course

Whistleblowing, Special Investigations and Counter Fraud Annual Report 2018/19

(Exempt information as defined in Paragraphs 2, 3 and 7 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

The Committee considered a report which reviewed the assessment of fraud risks and potential harm to the council from fraud and corruption.

Resolved: That the annual report for 2018/19 on whistleblowing, special investigations and counter fraud be noted.