

## **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 2014:

### **Part I matters**

#### **1. Treasury Management Report**

A presentation was made to the committee by Mike Jensen, chief investment officer on the treasury management activities of the county council throughout 2013/14.

**Decision Taken:** That the review of treasury management activities for 2013/14 to date as shown at appendix A to the report now presented, be noted.

#### **2. External Audit Lancashire County Council Audit Plan 2013/14**

Karen Murray, director, Grant Thornton, presented a report on the nature and scope of work that the Authority's external auditor was planning to carry out to discharge its statutory responsibilities, compliant with the Audit Commission Act 1998 and the Code of Audit Practice for Local Government.

**Decision Taken:** That the report be noted.

#### **3. External Audit - Update report June 2014**

Karen Murray, director, Grant Thornton, presented a report on the progress to date on the 2013/14 Audit Plan for the Council and set out the accounting and auditing issues relevant to the 2013/14 financial statements and their preparations.

The report included details on recent publications which it was felt could be helpful to the Committee in discharging its responsibilities.

**Decision Taken:** That the report be noted.

#### **4. Response of the Audit and Governance Committee Chair to Grant Thornton's 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.

A response to the commission had been prepared for consideration by the committee and was set out at Appendix A to the report. Officers advised that the

response should relate to the Lancashire County Pension Fund in addition to the County Council. It was therefore agreed that an amended response would be prepared for the Chair of the committee to sign on behalf of the committee.

**Decision Taken:** That, subject to the above amendment, the response to Grant Thornton's request for information to support its compliance with international standards on auditing and quality control, as set out at Appendix A to the report now presented, be approved and signed by the Chair of the committee.

## **5. Provisional Internal Audit Plan for 2014/15**

The committee considered the provisional Internal Audit Plan for the Council for 2014/15, as presented by Ruth Lowry, Chief Internal Auditor.

It was noted that the Internal Audit Service planned to provide a total resource input to the county council of approximately 2,450 audit days, including an allocation of 400 days for investigations. It was anticipated that approximately 775 days would also be provided to external organisations within Lancashire including the pension fund, the Police and Crime Commissioner and a number of the district councils.

**Decision Taken:** That the provisional internal audit plan for 2014/15 be approved.

## **Part II matters**

### **6. Counter fraud and special investigations annual report 2013/14**

(Exempt information as defined in Paragraphs 1, 2 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 interest in disclosing the information).

Ian Rushworth, Audit Manager, presented a report on a summary of the work performed by the Internal Audit Service during 2013/14 to support management in preventing, detecting and investigating fraud and corruption.

**Decision Taken:** That the 2013/14 counter fraud and special investigations report as now presented, be noted.