

## AUDIT COMMITTEE

6.00 P.M.

24TH APRIL 2013

**PRESENT:** Councillors Malcolm Thomas (Chairman), Geoff Knight, Richard Newman-Thompson, Ian Pattison, Sylvia Rogerson (substitute for Peter Williamson) and David Whitaker (substitute for Vikki Price)

Also in Attendance:

Richard Lee                      Manager, KPMG LLP

Apologies for Absence:

Councillors Jon Barry, Vikki Price and Peter Williamson

Officers in Attendance:

Nadine Muschamp	Head of Resources and Section 151 Officer
Derek Whiteway	Internal Audit Manager
Jane Glenton	Democratic Support Officer

### 16 MINUTES

The minutes of the meeting held on 23<sup>rd</sup> January 2013 were signed by the Chairman as a correct record.

### 17 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

### 18 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 19 EXTERNAL AUDIT - CERTIFICATION OF GRANTS AND RETURNS 2011/12

Committee received the certification of grants and returns 2011/12 report of KPMG LLP, which summarised the results of work on the certification of the Council's 2011/12 grant claims and returns.

Richard Lee of KPMG LLP reported that the Council had good arrangements in place for preparing its grants and returns and for supporting the certification work. Unqualified certificates had been issued on all four returns. Very minor adjustments had been necessary to one of the Council's returns, but the adjustments were insignificant in context of the overall value of the returns audited.

***Resolved:***

That the report be noted.

## 20 INTERNAL AUDIT STRATEGIC AND ANNUAL PLANS

Committee received the report of the Internal Audit Manager to seek approval for a proposed three-year Internal Audit Strategic Plan and Annual Operational Plan for 2013/14.

### Draft Internal Audit Strategic Plan 2013/14 to 2015/16 (Appendix A to the report)

It was reported that key themes to the Internal Audit Strategic Plan 2013/14 to 2015/16 were to support the Council in the implementation of its change programme and provide assurance on the effectiveness of both new and existing arrangements. New ways to support the programme would be explored and standards of governance, internal control and conduct in the organisation would be maintained.

### Internal Audit Annual Plan 2013/14 (Appendix B to the report)

It was reported that the plan was designed to implement the internal audit strategy, as required by the Code of Practice for Internal Audit. A detailed programme of audit assignments was being developed and the plan would be managed flexibly to ensure that audit works were targeted effectively. For the first time, a contingency allocation had been included to cover audit work on behalf of other bodies.

It was proposed by Councillor Knight and seconded by Councillor Newman-Thompson:

“That the Internal Audit Strategic Plan for 2013/14 to 2015/16 be approved.”

Upon being put to the vote, Members voted unanimously in favour of the proposition, whereupon the Chairman declared the proposal to be clearly carried.

It was proposed by Councillor Newman-Thompson and seconded by Councillor Ian Pattison:

“That the Internal Audit Annual Operational Plan for 2013/14 be approved.”

Upon being put to the vote, Members voted unanimously in favour of the proposition, whereupon the Chairman declared the proposal to be clearly carried.

### **Resolved:**

- (1) That the Internal Audit Strategic Plan for 2013/14 to 2015/16 be approved.
- (2) That the Internal Audit Annual Operational Plan for 2013/14 be approved.

## 21 INTERNAL AUDIT MONITORING REPORT

Committee received the report of the Internal Audit Manager to advise of the final monitoring position regarding the 2012/13 Internal Audit Plan and the results of recent audits.

Appendix A to the report gave the final outturn at 31<sup>st</sup> March 2013. A summary of the monitoring position at 31<sup>st</sup> March 2013 was set out in the report and the key conclusions

and action points in relation to those reports where a “Limited” assurance opinion had been given were reported.

Members noted that the Internal Audit team had undertaken two short pieces of audit work for the Lake District National Park Authority, and any possibility of extending this would need to be considered in terms of impact and resources available.

In considering the outcome of a follow-up report into an audit of “Asset Management – Inventories”, Members discussed and queried whether robust arrangements were in place for the recording, security and ongoing management of the Council’s holdings of heritage assets, including historic furniture, paintings and local government artefacts. It was agreed that officers would review the position regarding these assets.

***Resolved:***

- (1) That the final monitoring position as at 31<sup>st</sup> March 2013 be noted.
- (2) That the results of recent audits (sections 2 to 3 of the report) be noted.

---

Chairman

(The meeting ended at 6.33 p.m.)

**Any queries regarding these Minutes, please contact  
Jane Glenton, Democratic Services - telephone (01524) 582068, or email  
jglenton@lancaster.gov.uk**