

To:	Legal Services Board	
Date of Meeting:	30 May 2012	Item: Paper (12) 43

Title:	Minutes of the 17 May 2012 meeting of the Audit and Risk Committee	
Status:	Protect	

Summary:

The draft minutes of the Audit and Risk Committee (ARC)'s 17 May meeting are attached at **Annex A**. Board Members should note that these are an early draft and ARC members have not yet had an opportunity to feedback their comments.

In terms of a summary of business, the Committee:

1. Met in private session with the internal and external auditors to discuss the Internal Audit Annual Report and opinion 2011/12 and the NAO Audit Completion Report 2011/12 and management letter.
2. Met in private session with the Chief Executive to discuss members' recent training on effective Audit and Risk Committees and the external adviser's paper on transparency in internal financial information.
3. Noted the IT systems internal audit report, and assurances provided by the Executive on a number of points of detail. The Information Commissioner's Office would conduct an advisory visit to the LSB in June 2012 and the outcome would feed into further work by the Executive and a follow up audit in early 2013/14.
4. Noted the NAO's Audit Completion Report 2011/12 and thanked Edwin Josephs for compiling the accounts and the external auditors for their work in concluding the audit so quickly.
5. Endorsed the draft LSB Annual Report and Accounts 2011/12 to the Board, for the Board's onward consideration and approval (**Paper (12) 39 refers**).
6. Agreed, on the Board's behalf, the annual report on Board Members and senior colleagues' expenses. There were no novel or contentious aspects to report.
7. Considered the draft Internal Audit Plan for 2012/13. Further discussions would take place between the Executive and Internal Audit, and the Committee would consider and agree the final Audit Plan out of committee in due course.
8. Considered a report prepared by Philip Lindsell, external adviser to the Committee, on transparency in internal financial information. The Committee invited the Executive to present final proposals to the Committee's 15 October 2012 meeting regarding the future scope and content of internal financial information, to feed into the cycle for budget setting for 2013/14.
9. Adopted the updated Corporate Risk Register, following a detailed review of those risks scored 'red'.

10. Noted the summary of progress during 2011/12 in addressing areas for improvement in the Committee's effectiveness and performance, and committed to using elements of the NAO Audit Committee Self-Assessment Checklist to supplement an action plan for 2012/13.
11. Approved the draft Annual Report of the Committee 2011/12 for onward submission to the Board (**Paper (12) 38 refers**), with one amendment proposed to the Terms of Reference to reflect the Committee's role in reviewing the annual report on expenses.

Recommendation:

The Board is invited to note the draft minutes of the Audit and Risk Committee meeting held on 17 May 2012 attached at **Annex A**.

FoIA: **Annex A** – Para 27, information intended to promote a free and frank exchange of views for the purposes of deliberation by the Board (**s36, FoIA**)