

Appendices:



**NORTHAMPTON**  
BOROUGH COUNCIL

## AUDIT COMMITTEE REPORT

<b>Report Title</b>	<b>LGSS Internal Audit Update – 2020-21 Revised Audit Plan</b>
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**AGENDA STATUS: PUBLIC**

**Audit Committee Meeting Date: 24 August 2020**

**Policy Document: No**

**Services: Chief Finance Officer**

**Accountable Cabinet Member: Cllr Brandon Eldred**

### 1. Purpose

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- 1.1 To update the Audit Committee on the planned coverage by LGSS Internal Audit in 2020-21 taking account of the impact caused by COVID 19.

### 2. Recommendations

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- 2.1 It is recommended that the Audit Committee note the proposed audit coverage for 2020-21.

### 3. Issues of note

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#### 3.1 Report Background

Many financial activities transferred from Northampton Borough Council to LGSS during 2013-14 financial year. It was agreed with the S151 Officer and the Councils previous internal auditors that where LGSS have the responsibility to undertake the functions, LGSS Internal Audit would complete the assurance work, whilst the Councils internal auditors would continue to audit those aspects which remain in the direct control of the council.

This report provides the Audit Committee with an update on planned work for 2020-21 taking account of the impact caused by Covid 19.

## 3.2 Issues

### 2020-21 Revised Audit Plan

At the June 2020 Audit Committee, an update was provided and considered which focused on:

- Progress against the 2019-20 Plan as at March 2020, just before the initial lockdown took place.
- The 2020-21 Plan based on discussions with the Chief Finance Officer and the Governance and Risk Manager.

At the time that the lockdown occurred, a decision was made to suspend all internal audit activity and as a consequence, the six reviews indicated as not completed in the June 2020 update to the Committee remain outstanding. It should be noted that one of these reviews has also been included in the 2020-21 plan.

In discussions with the Chief Finance Officer, we have indicated that completing all of the remaining audits in progress or planned for 2019-20 and the proposed audits for 2020-21 in the nine months left of the financial year, will likely create a significant work pressure on the relevant services given the possible changes to the current LGSS working arrangements and the work involved in preparing to move to unitary. As a result, we have agreed a way forward and have cancelled the IT audit reviews of Northgate and Academy IT reviews given we are not aware of any specific concerns around these systems and we believe other reviews are a higher priority.

The revised plan for 2020-21 is highlighted below:

<b>Audit</b>	<b>(Revised) Start Date</b>	<b>Status</b>
<b>c/fwd 2019-20 reviews</b>		
Agresso IT Review (18/19)	August 2020	Draft
General Ledger	August 2020	Fieldwork
Treasury Management	August 2020	Fieldwork
<b>2020-21 Reviews</b>		
Q1-2 Balance Sheet Review	September 2020	
Q3 Balance Sheet Review	January 2021	
Q4 Balance Sheet Review	March 2021	
Council Tax	September 2020	
Business Rates	November 2020	

Audit	(Revised) Start Date	Status
Accounts Payable	January 2021	

Update on this work will be reported to the Audit Committee during 2020-21.

#### **4. Implications (including financial implications)**

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##### **4.1 Policy**

4.1.1 There are no policy implications associated with this report.

##### **4.2 Resources and Risk**

4.2.1 There are no resource or risks implications associated with this report.

##### **4.3 Legal**

4.3.1 There are no legal implications associated with this report.

##### **4.4 Equality**

4.4.1 There are no specific equality impacts relating to this report.

##### **4.5 Consultees (Internal and External)**

4.5.1 This update has been drafted in consultation with the Chief Finance Officer and Governance and Risk Manager.

##### **4.6 Other Implications**

4.6.1 None

#### **5. Background Papers**

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5.1 None

**Duncan Wilkinson - Chief Internal Auditor, LGSS**