

Appendices: 0



## AUDIT COMMITTEE REPORT

<b>Report Title</b>	<b>Report in the Public Interest regarding the Council's loans to Northampton Town Football Club (accounts for the year ended 31 March 2016)</b>
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**AGENDA STATUS: PUBLIC**

**Audit Committee Meeting Date: 25th March 2021**

**Services: Chief Finance Officer**

**Accountable Cabinet Member: Jonathan Nunn - Leader**

### 1. Purpose

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1.1 This report provides information in relation to the "Report in the Public Interest regarding the Council's loans to Northampton Town Football Club (accounts for the year ended 31 March 2016)".

### 2. Recommendations

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- 2.1 That the Committee note that a Public Interest Report has been received by the Council and Cabinet have provided an update and action plan.
- 2.2 That the Committee notes there is no further action for the Northampton Borough Council Audit Committee due to the transition to the new West Northamptonshire Council on 1<sup>st</sup> April 2021.
- 2.3 That the Committee notes that the Council has now received the formal Audit Certificates from KPMG in respect of 2015-16, 2016-17 and 2017-18.

### 3. Issues of note

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#### 3.1 Report Background

On 27 January 2021, the Council's previous external auditor (KPMG) issued a Report in the Public Interest ("the Report") regarding the Council's loans to

Northampton Town Football Club (NTFC) (accounts for the year ended 31 March 2016). The Report is issued under the provisions of the Local Audit and Accountability Act 2014 ("the Act").

### **3.2 Issues**

- 3.2.1 Audit Committee members have received copies of the Public Interest Report and considered it as part of Full Council.
- 3.2.2 Cabinet have received a formal update and considered the Action Plan at its meeting of 24<sup>th</sup> March.
- 3.2.3 Ordinarily the Audit Committee would consider the proposed Action Plan and seek to monitor its implementation, receiving regular updates. However as this will be the last meeting of the Northampton Borough Council Audit Committee, the Committee can only note the reports receipt, the actions taken by the Council and that West Northamptonshire Shadow Authority have been consulted and the new Council will take forward the proposed Action Plan.
- 3.2.4 The Committee will be aware that the new Council has adopted a new constitution, including new schemes of delegations, policies and controls.
- 3.2.5 As the issuing of the Public Interest Report concludes the auditing work by KPMG and the objection to the accounts. The previous External Auditor, KPMG, have issued the Council with the formal Audit Certificates for the audits conducted for 2015-16, 2016-17 and 2017-18.

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

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### **4.1 Policy**

- 4.1.1 There are no Northampton Borough Council policy changes as a result of this report.
- 4.1.2 There may be impacts and changes that West Northamptonshire Council consider appropriate in taking forward the agreed Action Plan.

### **4.2 Resources and Risk**

- 4.2.1 There are no specific resource implications as a result of this report.

### **4.3 Legal**

- 4.3.1 Under the provisions of the Act, the Council was required to publish the report as soon as practicable, consider it at a meeting within one month, decide what action it will take in response and publish a summary of that decision. The Council met on 22 February 2021 to receive the report.

4.3.2 Under Schedule 7 of the Act, the Council is required to consult with West Northamptonshire Shadow Authority as WNC will be responsible for the Action Plan from 1 April 2021. This has been undertaken leading to a Report to Cabinet on 24<sup>th</sup> March 2021.

4.3.3 After considering the Report and its response to it, the Council must notify the external auditor of its decisions, and publish a notice containing a summary of those decisions which has been approved by the external auditor. This will be actioned following the Cabinet decision of the 24th March 2021.

#### **4.4 Equality**

4.4.1 There are no specific equality implications in respect of this report.

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

4.5.1 Consultation has taken place with Corporate Management Board, Cabinet and West Northamptonshire Shadow Authority.

#### **4.6 Other Implications**

4.6.1 None specifically

### **5. Background Papers**

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5.1 Council Report 22 February 2021 [2021 02 22 Council Report - PIR FINAL.pdf \(northamptonboroughcouncil.com\)](#)

5.2 Cabinet Report 24 March 2021 [PIR - final draft Action Plan 23.03.21 FINAL.pdf \(northamptonboroughcouncil.com\)](#)

**Stuart McGregor, Chief Finance Officer (S151)**