



# Report to Audit and Governance Committee

**Date:** 27 January 2021

**Title:** 2020/21 Business Assurance Strategy Update (incl. Internal Audit Plan)

**Author and/or contact officer:** Maggie Gibb (Head of Business Assurance (& Chief Internal Auditor))

**Ward(s) affected:** N/A

**Recommendations:** Members are recommended to **note** the report.

**Reason for decision:** N/A

## Executive summary

- 1.1 The purpose of the report is to present the 2020/21 Business Assurance Strategy update, including the Internal Audit Plan.
- 1.2 The 2020/21 Internal Audit Plan has been reviewed and updated again following the impact of the Covid-19 pandemic on both the risk profile of the organisation and the resources to deliver the internal audit activity.

## Content of report

- 1.3 The 2020/21 Business Assurance Strategy was drafted and approved prior to the global pandemic starting, and as such the plans within the strategy have had to remain fluid across the year to allow capacity to support the Covid-19 response.
- 1.4 Due to the impact of the Covid-19 pandemic on the council, and further to conversations with various other Heads of Internal Audit, and taking into account other advice from professional bodies, we have been carefully considering what we need to achieve in 2020/21 with regards Internal Audit work during these unprecedented times and are mindful that a proportionate approach to Internal Audit must be taken to allow council staff and members to focus on the recovery from the Covid-19 crisis and council priorities.

- 1.5 Unplanned Covid-19 related audit and assurance activity has been required during Q1 – Q3, such as verifying the lost income compensation return to MHCLG and proving assurance over the small business grants process which was not included in the original plan. As we are now in a third national lockdown, we are having to review the current audit plan again, and this will continue in discussion with Corporate and Service Directors for approval at Audit Board and this committee.
- 1.6 The changes to the original 20/21 Internal Audit Plan are included at Appendix A of the update report and are highlighted in yellow. The changes include some audits to be postponed to 2021/22, some to be amalgamated with other audits and new audit areas which have been identified as high risk.
- 1.7 Several audits are now in progress and the outputs will be reported to the committee in due course.
- 1.8 Consideration is being given to the impact of the reduced audit plan/assurance activity on the Annual Audit Opinion, and discussions have been held across various Heads of Audit networking groups. All other local authorities consulted are facing the same dilemma and are awaiting guidance from CIPFA in this respect. We will be consulting our External Auditors to establish their views on how the opinion will be affected, and the Head of Business Assurance is due to attend the Institute of Internal Auditors Heads of Internal Audit Forum on 20 January 2021 to discuss this matter.

#### Other options considered

- 1.9 N/A

#### Legal and financial implications

- 1.10 The Internal Audit plan will be delivered within the agreed existing budget.

#### Corporate implications

- 1.11 None.

#### Consultation and communication

- 1.12 None.

#### Next steps and review

Next update to Audit and Governance Committee in March 2021

## Background papers

2020/21 Buckinghamshire Council Business Assurance Strategy (including Internal Audit Plan)

