

Northampton Borough Council Internal Audit Report 2007-08 Review of Electrical Services Overtime – (Commercial Section Only)

Report No. 07_08 NBC 14 – Final Report

Assurance rating this review	No Assurance
Assurance rating previous review	N/a

Distribution List

Keith Miller – Interim DSO Manager
Mark Humphries - Property Maintenance Manager
Isabell Procter – Corporate Director
Gavin Chambers – Head of Finance
Clive Thomas – Corporate Director
Councillor Perkins – Chair of Audit Committee

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Timetable

Action	Planned date	Actual date
Agreement of terms of reference	21 February 2008	21 February 2008
Fieldwork start	4 March 2008	4 March 2008
Fieldwork complete	31 March 2008	31 March 2008
Draft report to client	14 April 2008	24 April 2008
Response by client	15 May 2008	10 June 2008
Final report	17 June 2008	4 July 2008

Background and scope

Introduction

This review was undertaken as part of the time allocated for internal audit work at the Westbridge Depot that was included within the 2007/08 Internal Audit Plan agreed by the Audit Committee.

This report has been prepared solely for Northampton Borough Council in accordance with the terms and conditions set out in our contract dated 1st January 2007. We do not accept or assume any liability or duty of care for any other purpose or to any other party. This report should not be disclosed to any third party, quoted or referred to without our prior written consent.

Background

This report is intended to inform management of the results of our review of overtime claimed within the Electrical Services Commercial Section only.

Following concerns raised by Senior Management in the Property Maintenance section over the level and potential controls over overtime, Internal Audit were commissioned by the Head of Finance to undertake a specific piece of work to look at overtime claimed.

As part of this review an assessment was made regarding the need for out of hours work and whether hours claimed represented actual work performed. This assessment included visits to sites where work had been performed and reviews of job sheets. We also reviewed timesheets, time off in lieu records, overtime forms submitted to Payroll and spoke to electricians employed within the Commercial team.

Given the nature of electrical work being performed in car parks and certain offices this is only practical out of normal office working hours. As such and with the current terms and conditions of staff it is inevitable that some overtime is needed.

The total overtime claimed and paid for the 7 members of staff within Commercial Electrician's team for the 14 months ending November 2007 was approximately £41,971. In addition to this time has also been taken of as time off in lieu but given the records held this would be difficult to quantify accurately.

Approach and scope

Approach

Our work is designed to comply with Government Internal Audit Standards [GIAS] and the CIPFA Code.

Scope

In accordance with our Terms of Reference (Appendix 1), agreed with the Head of Finance and Interim DSO Manager we undertook a limited scope audit of Electrical Services Overtime for the Commercial Section only.

Limitations of scope

The scope of our work was limited to those areas identified in the terms of reference as follows:

- We are not qualified to assess whether work undertaken and claimed for does appear to be reasonable and as such will require assistance from qualified staff from within Electrical Services to assist in any assessment. (David Wilkins has been nominated by Senior Management to assist in this role.)
- Our work will focus upon the controls in place over allocating, authorising and verifying overtime claimed and identifying any weaknesses. Testing will be performed and if in the event any fraudulent activity becomes apparent this will be raised with Senior Management prior to any further work being undertaken.
- We will only be able to consider whether or not work undertaken was valid and appropriately done as overtime, if the records held are sufficiently detailed to support conclusions.

Staff involved in this review

We would like to thank all client staff involved in this review for their co-operation and assistance.





Name of client staff
Gavin Chambers – Head of Finance
Keith Miller – Interim DSO Manager
Mark Humphries – Property Maintenance Manager
Dave Wilkins – Electrical Services Team Leader
Steve Garlick – Electrical Services Supervisor
Mark Starmer - Electrical Services Assistant Supervisor
Darren Jane – Electrician
Dave Strand – Electrician
Hannah Lawrence – Temporary Administrative Assistant
Donna Newbold – Senior Clerk

Our opinion and assurance statement

Introduction

This report summarises the findings of our Review of Electrical Services - Commercial Section.

Each of the issues identified has been categorised according to risk as follows:

Risk rating	Assessment rationale
 Critical	Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the Authority's objectives in relation to: <ul style="list-style-type: none"> • the efficient and effective use of resources • the safeguarding of assets • the preparation of reliable financial and operational information • compliance with laws and regulations.
 High	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall Authority objectives.
 Medium	Control weakness that: <ul style="list-style-type: none"> • has a low impact on the achievement of the key system, function or process objectives; and/or • has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low.
 Low	Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control.

Summary of Findings

Our detailed findings and recommendations are set out in the findings and recommendations section of this report. The table below summarises the number of findings raised and the priority rating assigned.

Risk Rating	Number of findings
Critical	0
High	9
Medium	5
Low	0
Total	14

Opinion

We are required to provide an opinion on the adequacy and effectiveness of internal control in relation to the area under review. Our opinion is based on the work performed as set out in the agreed terms of reference and is subject to the inherent limitations set out in the limitations and responsibilities section of this report. We also provide an assurance statement for the area under review.

Design of the controls under review

We identified six weaknesses in the design of controls in relation to the Electrical Services, Commercial Section Overtime Review, three of which have been assessed as high risk. In our opinion these control weaknesses are likely to have a significant impact on the achievement of the key objectives of the system.

Operation of the controls under review

We identified eight instances where the controls were not operating as designed in practice at the time of our audit. Six of these control weaknesses have been assessed as high risk. Based upon the sample testing performed, in our opinion these control weaknesses are likely to have a significant impact on the achievement of the key objectives of the Electrical Services, Commercial Section Overtime.

Value for Money

Given the nature of the review we found that the Authority is not getting value for money in respect of overtime being worked by the Electrical Services Commercial Team. This can be evidenced in issues 2, 6, 10 and 11 in the findings and recommendations section of this report.

Assurance statement

No assurance

There are weaknesses in the design and/or operation of controls which [in aggregate] could have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisation objectives.

One of the key controls within the system relates to the role that the Supervisor performs. It is clearly evident that this control has failed given that overtime has been approved that is not in accordance with current terms and conditions and the lack of control being exercised over time off in lieu.

Follow-up

A follow-up review of all the agreed actions should be undertaken as part of the 2008/09 internal audit plan.

Detailed findings and recommendations

Our detailed findings and recommendations are set out in the findings and recommendations section of this report. Management responses are included which identify actions to be taken, responsibility and timeframe.

In addition there is some ambiguity about whether overtime can be claimed during the flexi periods which requires further investigation by Human Resources.

Limitations and responsibilities

Limitations inherent to the internal auditor's work

We have undertaken a review of overtime claimed within the Commercial Section of the Electrical Services subject to the following limitations.

Internal control

Internal control, no matter how well designed and operated, can provide only **reasonable** and not absolute assurance regarding achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

The assessment of controls relating to Electrical Services is that historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We shall endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist, unless we are requested to carry out a special investigation for such activities in a particular area.

Findings and recommendations

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
Control Design						
1	The level of overtime worked is not controlled.	<p>During testing of overtime claimed in September 2007 and November 2007 it was noted that there was no pre-approval of the work being undertaken.</p> <p>At the time of the review a system was being introduced to pre-approve overtime.</p>	<p>● High</p>	<p>Overtime should be pre-approved for all of the Commercial Electricians including the Supervisor.</p> <p>The new system to pre-approve overtime should be monitored closely and discrepancies between overtime approved and overtime claimed should be investigated further.</p>	<p>Audit confirmed this to be the case but since the start of the Audit overtime is controlled through pre-approval via Team Leader.</p>	<p>David Wilkins Electrical Services Team Leader. 1st May 2008</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
2	The current working practices may be inappropriate for the Commercial Electricians section.	During the audit it became apparent that there is a significant amount of work that is best done during evenings and weekends. Under current working arrangements this is being claimed as overtime and as such a shift system may be more appropriate due to these circumstances.	● Medium	<p>Consideration should be given as to whether the current system of working is appropriate for the Commercial Electrician's section.</p> <p>A shift system may be more suitable due to the large amount of work that ideally needs to be undertaken out of office hours.</p>	Management accepts this. As part of the re-focusing of the DLO, post -APSE, negotiations are in progress regarding pay and conditions. This potentially includes split shifts from 07.30 –19.30.	<p>Property Maintenance Manager/APSE.</p> <p>Date subject to negotiation on Pay and Conditions with unions but anticipated post October 2008.</p>
3	Overtime is allocated and claimed inappropriately.	Currently the Supervisor allocates overtime and then authorises it on the individual timesheets. However a number of issues have been highlighted with respect to what has been claimed as overtime and approved by the Supervisor.	● Medium	The Authority should ensure that there is a clear understanding of what should and shouldn't be claimed as overtime and individuals responsible for checking claims should ensure accuracy and be held accountable for this.	Protocol being progressed for all DLO staff regarding overtime.	Property Maintenance Manager. Protocol in place June 30th 2008.

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
4	Excessive overtime could be claimed.	There are no checks in place to determine if the overtime hours being claimed have actually been performed.	● Medium	<p>Consideration should be given to undertaking spot checks on overtime being performed.</p> <p>At the time of the audit the Authority was planning to introduce tracker devices to vehicles. This could enable monitoring of whether overtime claimed is in line with the physical location of the vehicles.</p>	<p>Management accepts this.</p> <p>Trackers fitted and will assist monitoring purposes.</p>	<p>Property Maintenance Manager.</p> <p>Trackers fitted in April. A standard report is being progressed using tracking.</p> <p>End of June 2008.</p>
5	Overtime is claimed rather than flexi time being taken.	<p>The Union agreement with the Authority indicates that flexi time should be claimed during the period 4pm to 5:30pm. However from testing of timesheets it is clear that on the vast majority of occasions the electricians are claiming overtime during this period rather than flexi time.</p> <p>Overall there is a level of ambiguity over what can and can't be claimed as overtime or alternatively flexi time that needs to be clarified.</p>	● Medium	The Authority should ensure that flexi time and overtime arrangements are clarified with electricians and overtime claims made only when appropriate.	Will be part of the protocol.	<p>Property Maintenance Manager.</p> <p>Protocol in place June 30th 2008.</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
6	Flexi time is taken inappropriately.	<p>Testing of September and November timesheets to Flexi-time records identified the following:</p> <ul style="list-style-type: none"> • On one occasion the assistant supervisor claimed 1 hr flexi time but their timesheet only showed them working their standard 7.5 hr day. A further instance was noted where the flexi time balance was increased by half an hour but this was not supported by the timesheet. • We noted that an electrician took 3.5 hrs flexi time but their toil balance was not reduced. • On one occasion an electrician was paid 1 hr overtime but they also claimed 1 hr flexi time. • One electrician claimed 4 hrs flexi time for starting at 7am on four days on their flexi sheet but on the timesheet it stated they started at 8am, • The flexi sheets were missing for the whole of November 2007 for two individuals. • On one occasion we noted that the start and end dates were not recorded on flexi time record. • 3 weeks flexi sheets were not completed and another was only partially completed. 	<p>● High</p>	<p>Flexi time sheets provide an important record of additional hours worked that are subsequently taken as time off in lieu.</p> <p>The Authority should ensure that controls are introduced so that flexi time records are fully completed, authorised and checked back to timesheets on a weekly basis.</p>	<p>Management accepts the comment.</p> <p>All Flexi/Overtime and timesheets seen by Team Leader on an exception basis.</p> <p>Details and monitoring carried out by Admin Senior Clerk on a weekly basis as part of their duties.</p> <p>Team Leader is authorised approval officer on a monitoring basis.</p> <p>Standard reports produced from tracking system for purposes cross reference time, date and location.</p>	<p>Electrical Services Team Leader and Admin Senior Clerk.</p> <p>1st May 2008.</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
Control Effectiveness						
7	Overtime is being incurred for work that should be completed during standard working hours.	It was noted that the supervisor comes into work on most Saturdays and incurs overtime as a result. This time is usually coded to supervision but actually relates to administration and completing of paperwork.	● Medium	The Authority should ensure that the supervisor has sufficient time during the week to complete all paperwork to avoid the need for working on Saturday. Consideration could be given to providing administrative support if deemed necessary.	Management accepts this comment. This process is now carried out during standard time.	Supervision. April 2008.

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
8	There is no check on whether or not hours claimed have been worked.	During testing of September and November 2007 timesheets, three instances were noted where the supervisor's and assistant supervisor's timesheets were not authorised.	● Medium	The Authority should ensure that all timesheets are authorised by a more senior individual prior to processing by payroll.	<p>Management accepts the comment.</p> <p>Trackers assist in the monitoring process.</p> <p>All Flexi/Overtime and timesheets seen by Team Leader on an exception basis.</p> <p>Details and monitoring carried out by Admin Senior Clerk on a weekly basis as part of their duties.</p> <p>Team Leader is authorised approval officer on a monitoring basis.</p>	<p>Electrical Services Team Leader and Admin Senior Clerk.</p> <p>1st May 2008.</p> <p>Team Leader.</p> <p>30th June 2008.</p>
9	Hours worked cannot be verified.	Our review of timesheets found that these were not always being fully completed. We noted that start and end times were not always being recorded.	● High	The Authority should ensure that all timesheets are checked and if any information is missing these are returned to the individual prior to being authorised for payment.	<p>Accept comment.</p> <p>Trackers will assist in monitoring process.</p>	<p>Team Leader.</p> <p>April 2008.</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
10	Staff have been paid for time that they have not worked.	<p>Testing identified that on three occasions two electricians had put in claims for overtime but had not worked their standard 37 hour week. This included:</p> <ul style="list-style-type: none"> • 14 hrs double time and 5 hours time and a half being claimed despite the employee only working 29.5 normal hours. • 14 hrs double time and 13 hrs time and a half were claimed despite the employee only working 20.5 normal hours. • 12 hours overtime was claimed despite the employee only working 29.5 normal hours. <p>In all cases the Payroll department had paid the individuals for their standard 37 hours and the additional overtime.</p> <p>These timesheets had been checked by the supervisor.</p>	<p>● High</p>	<p>The Authority should ensure that overtime is only claimed for hours worked that are above the individuals' standard working week.</p> <p>Consideration should be given as to whether or not the Authority wishes to recover any overpayments made or make request that individuals make up these hours through the time off in lieu system.</p> <p>The supervisor may need further guidance and training on what to do when checking timesheets or this task should be re-assigned.</p>	<p>The cost of investigating possible overpayment maybe deemed in excess of all the total amounts claimed also given that some people who may be affected, are no longer with the authority this may prove expensive and difficult to reclaim.</p> <p>All appropriate staff including supervisors to be given training on a new protocol, this will also include new employees.</p>	<p>Property Maintenance Manager and Electrical Team leader.</p> <p>Implementation date: n/a</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
11	The Authority is overpaying staff.	<p>Testing of September and November 2007 timesheets found that the 2 electricians and 2 apprentices had claimed double time when in fact they should only have claimed time and a half. These timesheets had been checked by their supervisor and yet the following were allowed:</p> <ul style="list-style-type: none"> • 14 hrs double time was claimed midweek for one individual. • 39 hrs double time was claimed midweek for one individual. • 10 hrs double time was claimed midweek for one individual. • 15 hrs double time was claimed midweek for one individual. 	<p>● High</p>	<p>Going forward the Authority should ensure that double time is only claimed where appropriate. This should have been identified by the supervisor when checking timesheets.</p> <p>Consideration should be given as to whether or not the Authority wishes to reclaim overtime that has been wrongly claimed as double time as opposed to time and a half.</p> <p>This would require the checking of timesheets back to October 2006 when the current agreement came into place.</p> <p>The supervisor may need further guidance and training on what to do when checking timesheets or this task should be re-assigned.</p>	<p>The cost of investigating possible overpayment maybe deemed in excess of all the total amounts claimed also given that some people may be affected, who are no longer with the authority, this may prove expensive and difficult to reclaim.</p> <p>All appropriate staff including supervisors to be given training on a new protocol, this will also include new employees.</p>	<p>Property Maintenance Manager and Electrical Team leader.</p> <p>Implementation date: n/a</p>

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
12	The Authority is making overtime payments for work that hasn't been delivered.	Our testing identified an instance where an electrician had claimed 3.5 hrs overtime on one day but their timesheet stated that they finished at 3pm. Again this timesheet had been submitted to the supervisor for checking.	● High	The supervisor may need further guidance and training on what to do when checking timesheets or this task should be re-assigned to avoid potential overpayments being made.	All appropriate staff including supervisors to be given training on a new protocol, this will also include new employees.	Property Maintenance Manager. Protocol in place June 30th 2008.
13	Records are not maintained to support payments made.	We were unable to locate three missing timesheets. Although no overtime had been paid in relation to these, we were unable to ascertain whether standard hours had been worked.	● High	The Authority should ensure that all timesheets are completed and retained on file.	Management accepts the comment. All Flexi/Overtime and timesheets seen by Team Leader on an exception basis. Details and monitoring carried out by Admin Senior Clerk on a weekly basis as part of their duties. Team Leader is authorised approval officer on a monitoring basis.	Electrical Services Team Leader and Admin Senior Clerk. 1st May 2008.

Ref	Specific Risk	Control weakness found	Risk rating	Recommendations	Management response	Officer responsible & implementation date
14	<p>There is a greater risk of personal injury if employees are working long periods without taking breaks.</p> <p>Overtime could have been claimed when employees were actually taking breaks.</p>	<p>There were a number of instances noted where long periods of overtime were claimed at weekends without any account being taken for breaks. For example we found:</p> <ul style="list-style-type: none"> • A couple of instances where 9 hrs had been claimed on a Saturday • An instance where 11.5 hrs were claimed on a Saturday followed by 17 hrs on a Sunday. 	<p>● High</p>	<p>The Authority should ensure that staff are required to take appropriate breaks even when working overtime. Hours recorded on timesheets should also take into account these breaks.</p>	<p>Enforce breaks as part of protocol.</p>	<p>Property Maintenance Manager.</p> <p>Protocol in place June 30th 2008.</p>

Appendix1 - Terms of Reference

Northampton Borough Council
Internal audit 2008/09

Terms of Reference

Review of Electrical Services –
Commercial Section

February 2008

Contents

- I. Objectives and deliverables
- II. Our scope and approach
- III. Stakeholders and responsibilities
- IV. Audit Team

Objectives and deliverables

Background

Following concerns raised by Senior Management in Property Maintenance, Internal Audit have been commissioned to undertake a specific piece of work in relation to the level of overtime being claimed by Electrical Services Trade Staff and Supervisors working within the Commercial Section.

Objectives

Our objective is to review the manner in which overtime is being allocated, claimed, approved and verified.

Deliverables

Our deliverable will be a report detailing our findings with regard to the manner in which Electrical Services allocate and confirm overtime hours worked within the Commercial Section. It will also comment on the adequacy of the policies and procedures in place together with any identified effectiveness, efficiency and compliance issues.

Scope and approach

To undertake an independent review of the manner in which overtime is being allocated, claimed and verified within the Commercial Section of Electrical Services. Emphasis is to be placed on the following concerns raised by Senior Management shown below:

- Whether overtime has been claimed for work that could have been undertaken in normal working hours.
- Amount of overtime claimed has been overestimated or claimed for work that was not performed.
- Overtime is not being authorised prior to being incurred.
- Assessing the distribution of overtime across Electrical Services and reasons for any disparities.
- Review to be focused upon overtime claimed during 2007/08.

Limitations to scope

We are not qualified to assess whether work undertaken and claimed for does appear to be reasonable and as such will require assistance from qualified staff from within Electrical Services to assist in any assessment. (David Wilkins has been nominated by Senior Management to assist in this role.)

Our work will focus upon the controls in place over allocating, authorising and verifying overtime claimed and identifying any weaknesses. Testing will be performed and if in the event any fraudulent activity becomes apparent this will be raised with Senior Management prior to any further work being undertaken.

We will only be able to consider whether or not work undertaken was valid and appropriately done as overtime, if the records held are sufficiently detailed to support conclusions.

Our approach

We will establish the manner in which overtime is being allocated within the Commercial Section of Electrical Services, assess the level of controls in place and suggest improvements where applicable. This will be achieved through interviewing supervisors within Electrical Services who are responsible for allocating and authorising overtime.

Evaluate overtime being claimed across Electrical Services to establish if the Commercial Section is out of proportion to other Electricians.

Test a sample of overtime claims submitted by staff within Commercial Section of Electrical Services and review what work was undertaken. With the assistance of the contact nominated by Senior Management we will look to establish whether work has been completed, amount of time claimed appears reasonable and any materials charged for look to have been used.

Stakeholders and responsibilities

Role	Contacts	Responsibilities
Head of Finance	Gavin Chambers	<ul style="list-style-type: none"> Review and approve draft terms of reference Review and meet to discuss issues arising Review draft report and final reports.
	Keith Miller & Mark Humphries & Carl Grimmer	<ul style="list-style-type: none"> Review and meet to discuss issues arising and develop management responses and action plan Review draft report and final reports. Implement agreed recommendations and ensure ongoing compliance.
Team Leader – Electrical Services	David Wilkins	<ul style="list-style-type: none"> Primary point of contact for arranging fieldwork. To assist in assessing work undertaken and claimed for.

Our team

Engagement Leader	Mark Jones
Engagement Manager	Chris Dickens
Team Leader	Mundip Sohal
Team Member	Matthew Plummer
Counter Fraud Specialist	Neil Mohan

Budget

Our estimated budget for this assignment is 10 days. If the number of days required to perform this review increases above the number of days budgeted, we will bring this to management attention.

Appendix 2 - Assurance ratings

Level of assurance	Description
High	<p>No control weaknesses were identified; or</p> <p>Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.</p>
Moderate	<p>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be less than significant or they are unlikely to occur.</p>
Limited	<p>There are some weaknesses in the design and / or operation of controls which could have a significant impact on the achievement of key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives. However, there are discrete elements of the key system, function or process where we have not identified any significant weaknesses in the design and / or operation of controls which could impair the achievement of the objectives of the system, function or process. We are therefore able to give limited assurance over certain discrete aspects of the system, function or process.</p>
No	<p>There are weaknesses in the design and/or operation of controls which [in aggregate] could have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisation objectives.</p>

In the event that, pursuant to a request which Northampton Borough Council has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify PricewaterhouseCoopers (PwC) promptly and consult with PwC prior to disclosing such report. Northampton Borough Council agrees to pay due regard to any representations which PwC may make in connection with such disclosure and Northampton Borough Council shall apply any relevant exemptions which may exist under the Act to such report. If, following consultation with PwC, Northampton Borough Council discloses this report or any part thereof, it shall ensure that any disclaimer which PwC has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

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