

NORTHAMPTON BOROUGH COUNCIL

AUDIT COMMITTEE

Monday, 16 May 2016

PRESENT: Councillor Nunn (Chair); Councillor Golby (Deputy Chair); Councillors Chunga, Kilbride and Stone and Gowen

1. APOLOGIES

None.

2. MINUTES

The Minutes of the meeting held on 14th March 2016 were agreed and signed by the Chair.

3. DEPUTATIONS / PUBLIC ADDRESSES

None.

4. DECLARATIONS OF INTEREST

Councillor Kilbride declared a personal interest having completed some print work for Northampton Town Football Club.

5. MATTERS OF URGENCY WHICH BY REASON OF SPECIAL CIRCUMSTANCES THE CHAIR IS OF THE OPINION SHOULD BE CONSIDERED

None.

6. NORTHAMPTON TOWN FOOTBALL CLUB UPDATE

The Senior Audit Manager addressed the committee and gave a verbal update. He advised that a lot of progress has been made since the last Audit Committee meeting and the field work is ongoing. He confirmed that the work will be subject to the usual internal audit quality assurance procedure before being issued as a final report to the Committee.

RESOLVED

That the report be **NOTED**

7. FINANCIAL MONITORING PERIOD 9 AUDIT COMMITTEE QUERIES UPDATE

The Chair advised the committee that he has received details outlining the mayoralty expenses and will send to all committee members.

The Strategic Finance Manager presented the report. It was advised that the purpose of the report was to present the Audit Committee with additional information and answers to queries raised at the last meeting on the 14th March. At its last meeting queries were raised on the Financial Monitoring Report for Period 9 requesting further information on :

- The number of interim staff and vacant positions currently held at the Council- This information is in the final stages of verification and is due to go through the Management Board review process and therefore will be presented to the next Committee.
- Details behind the period 9 forecasts for 3 Key Service Areas namely

It was advised that these details have been provided by Heads of Service and Directors and are shown at paragraphs 3.2.5, 3.2.6 and 3.2.7 respectively in the report.

In response to questions from the committee The Strategic Finance Manager advised that the July Audit Committee will be presented with the outturn position for 2015/16. The Chief Finance Officer advised that the information collated on interims and vacant posts needs to go through the internal management process. The Borough Secretary advised that it is a complex piece of work and the process is necessary to ensure that relevant information is provided. This information needs to be collated from various directorates.

RESOLVED

That the report be **NOTED**

8. INTERNAL AUDIT UPDATE

The Chief Finance Officer advised the committee that Item 8 and 9 were the same report.

9. INTERIM AUDIT REPORT 2015/16

The Senior Audit Manager presented the report and elaborated thereon. It was advised that the Section 151 Officer role review has been completed and PwC is in the process of finalising the report. The Internal Audit Annual report will be presented to June meeting following discussion and clearance with management. It was also advised that the annual report will include summary of relevant reviews undertaken by LGSS. The Senior Audit Manager stated that PwC is in the process of finalising the audit plan in 2016/17 in consultation with management. Following meeting with management board PwC will invite members of the Audit Committee to review and comment on the draft plan prior to bringing final version to the June meeting for Committee approval.

Councillor Golby and Councillor Chunga volunteered to work with PwC to review the draft plan.

In response to questions from the Committee the Senior Audit Manager responded as below

We have a large team therefore can deliver the plan within agreed budget.
NBC have to keep ownership and accountability for its information.

The Chief Finance Officer advised that the Borough's Agresso system is the most up to date version.

RESOLVED

That the report be **NOTED**

10. EXTERNAL AUDIT PROGRESS UPDATE 2015/16 - KPMG

The External Auditor presented the report and elaborated thereon. It was advised that the interim audit work completed by KPMG to date has not identified and significant issues and has continued to progress the investigation into the football club loan.

It was stated that as of 31st March 2016 the Audit Committee has not received any internal reports from either provider and therefore KPMG has been unable to review ,or place reliance on, the work on Internal audit to date.

In response to questions from the Committee the Chief Finance Officer advised that LGSS have completed work and he expects to see draft reports over the coming week with the final report going to June's meeting.

The External Auditor advised that no major control weakness have been identified.

In response to further questioning from the Committee regarding payroll issues The Borough Solicitor stated that payroll issues have been logged and dealt with. LGSS gave insurances that what has gone wrong has been put right.

RESOLVED

That the report be **NOTED**

The meeting concluded at 18:25