

Item No.

Name of Group:	Cabinet
Directorate:	Chief Executive
Officer: Chief Executive:	John Edwards
Cabinet Meeting Date:	11 June 2007
Agenda Status:	Public

Report Title	Annual Audit and Inspection Letter and the Audit and Inspection Plan
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Key Decision	No
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1. Recommendations

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| <ul style="list-style-type: none"> 1.1 To note and appropriately comment upon the annual audit and inspection letter. 1.2 To note and appropriately comment upon the audit and inspection plan. |
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2. Summary

<p>Annual Audit and Inspection Letter</p> <p>2.1 The annual audit and inspection letter is the statutory annual report of the Council's external auditors that summarises the conclusions and significant issues arising from recent audit and inspections of Northampton Borough Council.</p> <p>2.2 The annual audit and inspection letter provides useful information about the governance arrangements of the Council, including financial aspects of governance, and its overall performance.</p> <p>2.3 Members are asked to consider the report as set out at Annex A and comment where appropriate.</p>
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Audit and Inspection Plan

2.4 The annual audit and inspection plan has been developed by KPMG, the Council's appointed Auditor. It sets out the audit and inspection work that the audit commission proposes to undertake for the 2007/08 financial year and is based on the Audit Commission's risk-based approach to audit planning and the requirements of Comprehensive Performance Assessment.

2.5 The Plan reflects:

- Audit and inspection work specified by the Audit Commission for 2007/08
- Current national risks relevant to NBC local circumstances; and
- NBC local risks and improvement priorities

2.6 Members are asked to consider the audit and inspection plan and comment where appropriate.

3. Resource Implications (including Financial Implications)

3.1 There are no direct policy or financial implications for the Authority. However, the Council response to the annual audit and inspection letter will affect the governance arrangements for the Authority and its ability to improve further.

4. Risk and Opportunity Issues

4.1 Risk

Failure to improve and deliver recommendations within the annual audit and inspection letter could lead to government intervention.

4.2 Opportunity

N/A

5. Consultees (Internal and External)

Internal	Chief Executive, Director of Finance, Corporate Manager Performance
External	N/A

6. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
Corporate Plan

B: Other Implications

Other Strategies

Finance Comments

Legal Comments

8. Background Papers

Title	Description	Source
Annual Audit and Inspection Letter		Audit Commission

Name	Signature	Date	Ext.
Author Isabell Procter Director of Finance & S151 Officer		29/05/07	8757
Monitoring Officer Francis Fernandez			