

REPORT TO AUDIT COMMITTEE
NORTHAMPTON BOROUGH COUNCIL
JANUARY 2017

LGSS INTERNAL AUDIT 2016-17

Background

Many financial activities transferred from Northampton Borough Council to LGSS during the 2013/14 financial year. It was agreed with the S151 Officer and the council's internal auditors (PwC) that where LGSS have the responsibility to undertake the functions, LGSS Internal Audit would complete the assurance work relating to LGSS functions, whilst PwC would continue to audit those aspects which remain in the direct control of the council. This approach was used each year and we have worked with PwC to plan and undertake our work to enable us to provide the assurance opinions, whilst minimising duplication of work.

Follow up of 2015-16 Action Plans

We have followed up actions agreed following the 2015-16 audits. Of 17 actions 16 were satisfactorily addressed and have been closed. The remaining action was partially implemented. This related to the distribution and checking of user access reports and should be fully implemented shortly.

2016-17 Internal Audits - LGSS

At the November Audit Committee the following audits were agreed to be undertaken by LGSS internal audit for 2016-17:

- Accounts Receivable
- Accounts Payable
- Payroll, including review of actions on data quality
- General Ledger
- IT System access – ICON and IBS
- Controls and processes for issuing loans
- Council Tax (High level controls)
- NNDR (High level controls)
- Housing Benefits (High level controls)

Work has commenced on these 2016-17 audits. Site visits were completed for the reviews of Council Tax, NNDR and Housing Benefits in the week commencing 19th December. The outcomes of these and the other reviews will be reported once the work is complete.

Planning and coordination

We continue to jointly plan our internal audits along with PwC. A meeting was held in December and another is timetabled for February, to include the external auditors (KPMG). This will include future planning for 2017-18. These meetings help to minimise duplication and deliver assurances as efficiently as possible.