

Audit and Scrutiny Panel

For Information / Consideration	
Public/Non Public*	Public
Report to:	Audit and Scrutiny Panel
Date of Meeting:	9 March 2017
Report of:	Chief Finance Officer
Report Author:	Charlotte Radford
Other Contacts:	
Agenda Item:	12

THE BIG RED BUTTON

1. Purpose of the Report

- 1.1 To update members on the progress with the Big Red Button and the benefits that this will deliver.
- 1.2 This report is for information and assurance.

2. Recommendations

- 2.1 Members are requested to note the report and the assurance that the work being done will ensure we meet the new statutory reporting deadlines from 2018.

3. Reasons for Recommendations

- 3.1 This report is for assurance and complies with the principles of good governance.

4. Summary of Key Points

- 4.1 The professional body for Local Government Accounting – CIPFA (Chartered Institute of Public Finance and Accountancy) have developed a web based software system that should facilitate the earlier closedown of the financial accounts required by 2018.
- 4.2 The system will map data from the financial ledger into tables for the statements and transfers this into a word based document.
- 4.3 They have been piloting this with several Local Authorities and with Northamptonshire Police. This system has not been used to produce a fully audited statement of accounts. This year will be the first and Nottinghamshire are one of eight authorities that will be the first to do this.

- 4.4 We have closely monitored the progress that Northamptonshire has made and been able to benefit from the mapping that they have done from Oracle to the Big Red Button. This mapping partly automates some of the process.
- 4.5 There are several benefits to be gained from using this software and these include:
- Ensures compliance with CIPFA financial regulations
 - Will provide easily auditable working papers and support information
 - Provides a clear audit trail from the financial system to the tables provided in the statement of accounts
 - The system provides workflow and checking mechanisms
 - Journal changes affecting the trial balance result in automated changes to all relevant tables
 - Any updates to the financial code are made to existing table formats
 - Adaptions for our specific need are being made at no extra cost whilst this is still under development
 - The system highlights anomalies and inconsistencies
- 4.6 We were already planning to make a stepped change to the closedown timetable for the 2016-17 statements and this will facilitate that objective.
- 4.7 Currently, the system is mapped for the 2015-16 statements to provide the balances brought forward and previous year comparable figures. This will comply with the 2016-17 code.
- 4.8 User training is schedule for the 13th March and a live template will be available by the end of March with the narrative populated and ready for 2016-17 figures.
- 4.9 There are potential future benefits from this system. CIPFA itself is looking to be able to automate a significant element of the generation of the Whole of Government Accounts (WGA) return through the software and this could potentially be replicated for all other statutory returns or CIPFA financial returns.
- 4.10 Other developments include automated transfer of notes from the Asset Management System.
- 4.11 Some authorities are helping develop the hard coding structure within the financial software package that they are operating. We will look to see what can be done within Oracle once we have completed this years accounts process.

5. Financial Implications and Budget Provision

- 5.1 The system has been purchased for £10,000 per annum.

6. Human Resources Implications

- 6.1 None as a result of this report.

7. Equality Implications

7.1 None as a result of this report

8. Risk Management

8.1 None as a result of this report.

9. Policy Implications and links to the Police and Crime Plan Priorities

9.1 This supports the priority of Spending Your Money Wisely.

10. Details of outcome of consultation

10.1 Not applicable

11. Appendices

None