

**When telephoning, please ask for:** Member Services  
**Direct dial** 0115 914 8481  
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**Our reference:**  
**Your reference:**  
**Date:** 11 June 2014

To all Members of the Corporate Governance Group

Dear Councillor

A meeting of the CORPORATE GOVERNANCE GROUP will be held on Thursday 19 June 2014 at **6.00 pm** in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford to consider the following items of business.

Yours sincerely

Executive Manager Operations and Corporate Governance

## ***AGENDA***

1. Apologies for absence
2. Declarations of Interest
3. Notes of the Meeting held on Wednesday 23 April 2014 (pages 1 - 7).
4. Internal Audit Progress Report 2013/14 and 2014/15

The report of the Executive Manager – Finance and Commercial is attached (pages 8 - 20).

5. Internal Audit Annual Report 2013/14

The report of the Executive Manager – Finance and Commercial is attached (pages 21 - 30).

6. Fraud and Irregularities Update

The report of the Executive Manager – Finance and Commercial is attached (pages 31 - 45).

7. Health and Safety Annual Report 2013/14

The report of the Executive Manager – Operations and Corporate Governance is attached (pages 46 - 60).

8. Final Accounts Update 2013/14 – Annual Governance Statement and Accounting Policies

The report of the Executive Manager – Finance and Commercial is attached (pages 61 - 78).

9. Work Programme

The report of the Executive Manager – Operations and Corporate Governance is attached (pages 79 - 80).

Membership

Chairman: Councillor G S Moore

Vice-Chairman: Councillor N K Boughton-Smith

Councillors N A Brown, L B Cooper, A M Dickinson, K A Khan, I I Korn, J E Thurman and H Tipton

**NB Please note the new starting time for this meeting is 6.00 pm**

<b>Meeting Room Guidance</b>
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**Fire Alarm Evacuation:** in the event of an alarm sounding please evacuate the building using the nearest fire exit, normally through the Council Chamber. You should assemble in the Nottingham Forest car park adjacent to the main gates.

**Toilets** are located opposite Committee Room 2.

**Mobile Phones:** For the benefit of others please ensure that your mobile phone is switched off whilst you are in the meeting.

**Microphones:** When you are invited to speak please press the button on your microphone, a red light will appear on the stem. Please ensure that you switch this off after you have spoken.



**NOTES  
OF THE MEETING OF THE  
CORPORATE GOVERNANCE GROUP  
WEDNESDAY 23 APRIL 2014**

Held at 7.00 pm in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford

**PRESENT:**

Councillors G S Moore (Chairman), N A Brown, J E Cottee, A M Dickinson, R Hetherington, K A Khan, E A Plant, J E Thurman and H Tipton

**ALSO IN ATTENDANCE:**

N Bellamy	KPMG
D Hargreaves	Fisher Hargreaves Proctor
M Williams	Baker Tilly
K Waddoups	Baker Tilly
R Walton	KPMG

**OFFICERS PRESENT:**

N Berry	Property Estates Surveyor
A Goodman	Member Support Officer
A Graham	Chief Executive
P Steed	Executive Manager - Finance and Commercial

**APOLOGIES FOR ABSENCE:**

There were no apologies for absence.

**37. Declarations of Interest**

There were none declared.

**38. Notes of the Previous Meeting**

The notes of the meeting held on Thursday 6 February 2014 were accepted as a true record.

**39. Local Government Act 1972**

It was AGREED that the public be excluded from the meeting for consideration of the following item of business pursuant to section 100A (4) of the above Act on the grounds that it is likely that exempt information may be disclosed as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

**40. Potential Options for the Future Use of the Civic Centre**

At its meeting of the 7 November 2013 the Group confirmed its support of the business case for the potential relocation of the Civic offices to The Arena site. Members requested that Cabinet engage the Corporate Governance Group in

its consideration of the potential future uses/disposal of the Civic Centre, at an appropriate and timely stage. Consequently on 2 April 2014, the Leisure and Civic Relocation Member Group requested that the Corporate Governance Group be engaged to consider and comment upon the current options that had been identified. The Group's views would be reported back to the Member Group meeting on the 1 May 2014, and subsequently to Cabinet.

The Group considered the report of the Chief Executive and the presentation that outlined potential options for the future use of the Civic Centre and the Council's role in such developments. Members were informed the Council had commissioned independent advice from local experts in relation to the options, costing and valuations.

It was AGREED that the Group

- a. recommend to the meeting of the Leisure and Civic Relocation Member Group on the 1 May 2014, that they support the principle of a mixed development and that the Council should pursue options in order to achieve the maximum residual value; and
- b. endorse the following working assumptions regarding the Civic Centre and the future relocation:
  - i. The current Civic Centre has a capital value
  - ii. The current Civic Centre also has a good revenue value
  - iii. If the Council builds a new Civic on its own site (the Arena) as part of a commissioned leisure build, it is highly likely to reduce its costs by negating the need to buy any land, and combining the two build projects
  - iv. A new purpose built building is highly likely to be cheaper to run than the existing premises.

#### 41. **External Audit Plan 2013/14**

Mr Bellamy presented the External Audit Plan 2013/14 that summarised the work that the Council's external auditors KPMG proposed to undertake in respect of the audit Council's financial statements for 2013/14. He informed Members that, as in previous years, KPMG would take a risk based approach to the audit and that the plan would remain flexible as risks and issues may change throughout the year. The initial assessments presented in the plan would be kept under review and any new risks that emerge would be evaluated and responded to accordingly.

Mr Bellamy reported that as part of the initial risk assessment of the financial statements audit, two significant risks had been identified in relation to the Local Government Pension Scheme triennial valuation and the implantation of a new cash receipting system. He explained that the Value for Money (VFM) audit approach meant that KPMG would only carry out as much work as was appropriate to issue a safe VFM conclusion.

The members of the audit team had been refreshed from last year, with changes to the Engagement Lead and the Audit Manager. The Audit was currently planned to commence on 14 July 2014 and on conclusion, the

findings would be presented to the Group in the Report to Those Charged with Governance (ISA 260 report) and the Annual Audit Letter.

The planned fee for the audit was £54,150, which remained the same as set out in the Audit fee letter 2013/14.

It was AGREED that the External Audit Plan 2013/14 be accepted.

#### **42. Certification of Grants and Returns – Annual Report 2012/13**

Mr Walton presented the report from the Council's external auditor KPMG that summarised the work undertaken in relation to the certification of the Council's grant claims and returns for the financial year 2012/13. The audit certification was undertaken after the completion of the Statement of Accounts and was only required for the Housing and Council Tax Benefit Scheme and the National Non-Domestic Rates Return.

For the period 2012/13, one claim for Housing and Council Tax Benefits Scheme with a total value of £23,308,000 and one return for National Non-Domestic Rates, with a total value of £22,293,000, had been certified. Unqualified certificates for the National Non Domestic Rates return had been issued, however amendments and subsequent qualification had been necessary for the Housing and Council Tax Benefit Scheme. This was due to two errors that required additional testing and although not significant, a qualification was mandatory as a result of identifying errors of this nature.

Mr Walton reported that the Council had good arrangements for preparing its grants and returns and supporting the auditor's certification work. All the grants had been submitted on a timely basis and correctly identified as requiring certification. The records kept in relation to grants and returns were generally accurate and sufficient.

The current estimated fee was £11,088, which was slightly higher than the indicative fee of £10,550 set by the Audit Commission, due to the additional work carried out the errors found in the Housing and Council Tax Benefit scheme certification. However, the fee has been relatively contained, predominantly due to the small number of errors found, and the good level of cooperation and quality working papers received from the Authority's officers in relation to the certification of both returns.

In response to questions, Mr Walton explained that the increase in fee reflected the additional work and testing that the auditors were required to undertake to establish if the errors that had been identified were isolated incidents.

It was AGREED that the Certification of Grants and Returns – Annual Report 2012/13 be accepted

#### **43. Internal Audit Progress Report 2013/14**

Ms Waddoups, a representative from Baker Tilly, the Council's internal auditors, informed Members that in line with the audit plan, four reports had been finalised since the last meeting of the Group, for the areas of NNDR,

Council tax, Capital Programme & Assets, and Temporary Accommodation. He informed Members that the assurance level all audits was green, the highest achievable, except for the audit of Temporary Accommodation which was amber/green, with only one medium risk recommendation. There were currently five audits at the work in progress or draft stage for the areas of Payroll, Tendering, Risk Management, General Ledger and Treasury Management, Cash & Banking, which would be presented to the next meeting of the Group in June 2014.

Ms Waddoups reported that following completion of the 2013/14 Audit Plan, 16 fewer days had been required to complete the work than originally planned. Therefore the Council would make a saving of £6,630 on the audit fees, which equated to 11% of the total cost.

It was AGREED that the Internal Audit Progress Report 2013/14 be noted.

#### 44. **Internal Audit Strategy 2014/15**

Members considered the report that detailed the Internal Audit Strategy 2014/15 to 2016/17 and the Audit Plan for the 2014/15 financial year. The Strategy had been developed by the Council's internal auditors, Baker Tilly, and was based on the Council's objectives and discussions with Executive Managers regarding assurance priorities.

The Group considered the report, in relation to the following three questions;

- Did the Internal Audit Strategy (as set out in Appendix B) cover the organisation's key risks as they were recognised by the Corporate Governance Group?
- Did the internal audit plan for 2014/2015 (as set out in Appendix C) reflect the areas that the Corporate Governance Group believed should be covered as priority?
- Was the Corporate Governance Group satisfied that sufficient assurances were being received to monitor the Council's risk profile effectively, including any emerging issues / key risks (as set out in Appendix A) not included in the strategy or annual plan?

Mr Williams reported that as well as assignments designed to provide assurance or advisory input around specific risks, the Strategy also included:

- Planned assurance on core areas of activity;
- A contingency allocation, which would only be utilised should the need arise, and would be subject to prior approval by the Corporate Governance Group;
- Time to follow up previous recommendations and actions to provide the Corporate Governance Group with assurance on the actions taken by management to address previous internal audit recommendations; and

- Audit management, which was used at Partner and Manager level for quality control, client and external audit liaison, preparation of the annual opinion, and attendance at Corporate Governance Group.

Mr Williams explained that dates had been set for each of the audits for 2014/15 to ensure that the plan was achieved within the defined timescales. However the exact work for the final two years was not detailed as this would be finalised at a later date when there was more certainty around the future risks that may arise.

Mr Williams informed Members that Baker Tilly aimed to provide better value for money whilst continuing to focus on the key risks that affected the Council. The fee for the internal audit service for 2014/15 was £46,155, which represented cost saving of 27% on the previous year. This reduction reflected a combination of an improved risk profile and revisiting the key risks which informed which audits should be focused on. Built into the Plan were 24 contingency days to deal with any additional items of work or any area that required further resources.

In response to questions, Mr Williams confirmed that although the number of days allocated to the audit had been reduced, that due to a more focused approach, he was satisfied that the programme was achievable and that the Council had a good control framework in place

It was Agreed that the Internal Audit Strategy 2014/15 to 2016/17 and Audit Plan 2014/15 be approved.

#### 45. **Work Programme**

The Group considered the report of the Executive Manager – Operations and Corporate Governance that set out details of the proposed work programme for the municipal year 2014/15.

The Group AGREED the Work Programme as set out below:

Date of Meeting	Item
19 June 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Internal Audit Annual Report 2013/14</li> <li>• Health and Safety Annual Report</li> <li>• Annual Governance Statement 2013/14</li> <li>• Corporate Governance Annual Report 2013/14</li> <li>• Protecting the Public Purse Fraud Briefing</li> <li>• Fraud &amp; Irregularities 2013/14</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>

Date of Meeting	Item
4 September 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Statement of Accounts 2013/14</li> <li>• External Auditors Annual Governance Report 2013/14</li> <li>• Risk Management Update</li> <li>• Treasury Management Update</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>
13 November 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Health and Safety Interim report</li> <li>• Annual Audit Letter</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>
29 January 2015	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Treasury Management Update and Presentation</li> <li>• Risk Management Update</li> <li>• Revenue and Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>
26 March 2015	<ul style="list-style-type: none"> <li>• External Audit Plan 2014/15</li> <li>• Certification of Grants and Returns – Annual Report 2013/14</li> <li>• Internal Audit Progress Report 2014/15</li> <li>• Internal Audit Strategy 2015/16</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>

The meeting closed at 8.35 pm.



## Action Sheet

### Corporate Governance Group - Wednesday 23 April 2014

Minute Number	Actions	Officer Responsible
38 Notes of the Previous Meeting	None	
39 Local Government Act 1972	None	
40 Potential Options for the Future Use of the Civic Centre	None	
41 External Audit Plan 2013/14	None	
42 Certification of Grants and Returns – Annual Report 2012/13	None	
43 Internal Audit Progress Report 2013/14	None	
44 Internal Audit Strategy 2014/15	None	
45 Work Programme	None	

## Report of the Executive Manager - Finance and Commercial

### 1. Summary

- 1.1 The attached report has been prepared by the Council's internal auditors Baker Tilly. It is the last report for the financial year 2013/14 showing that all audits have been completed for the year, along with any significant recommendations with regards to the audits completed at the end of the financial year 2013/14.
- 1.2 It should be noted that in accordance with the Audit Plan for 2014/15 work has commenced with regards to Human Resources. At this stage there is nothing else to report.

### 2. Recommendation

- 2.1 It is RECOMMENDED that the Corporate Governance Group notes the Internal Audit's final Progress Report for 2013/14 (Appendix A).

### 3. Reasons for Recommendation

- 3.1 To conform with best practice and Public Sector Internal Audit Standards; and give assurance to the Corporate Governance Group regarding the Council's internal control environment.

### 4. Supporting Information

- 4.1 The attached report highlights the completion of the Internal Audit Plan for 2013/14 with the majority of the audits given a 'green' rating and substantial assurance for four reports it also identifies 4 Medium Risk recommendations to be actioned.

### 5. Other Options Considered

- 5.1 Not Applicable

### 6. Risk and Uncertainties

- 6.1 If recommendations are not acted upon there is a risk internal controls are weakened and the risk materialises.

## 5. Implications

### 5.1 Finance

There are no direct financial implications to the report. Indirectly a better internal control environment suggests risk has reduced and can result in a reduced audit workload and therefore cost.

### 5.2 Legal

None

### 5.3 Corporate Priorities

Not applicable

### 5.4 Other Implications

None

<b>For more information contact:</b>	Peter Linfield Service Manager (Finance and Commercial) 0115 914 8439 email <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Internal Audit Progress Reports during 2013/14
<b>List of appendices (if any):</b>	Appendix A – Internal Audit Progress Report 2013/14

# Rushcliffe Borough Council

Internal Audit Progress Report – 2013/14

Corporate Governance Group: 19 June 2014

## Introduction

The internal audit plan for 2013/14 was approved by the Corporate Governance Group (CGG) on 24 April 2013. This report provides an update on progress against that plan and summarises the results of our work to date.

### Summary of Progress against the Internal Audit Plan

Assignment <i>(Reports considered today are shown in bold italics)</i>	Status	Opinion	Actions Agreed		
			High	Medium	Low
Commercial Property Portfolio	FINAL	Green	0	1	2
Home Alarm Scheme	FINAL	Green	0	0	0
Transformation and Cost Savings	FINAL	Green	0	0	0
Bingham Market	FINAL	Amber/Green	0	2	0
Housing Benefits	FINAL	Green	0	0	1
Governance Compliance with Expenses Policy	FINAL	Green	0	1	3
Strategic Housing Capital	FINAL	Green	0	0	1
Community Facilities	FINAL	Amber/Green	0	0	7
Community Support Grants	FINAL	Green	0	1	0
Purchase Ordering & Creditors	FINAL	Amber/Green	1	0	2

Assignment <i>(Reports considered today are shown in bold italics)</i>	Status	Opinion	Actions Agreed		
			High	Medium	Low
Income & Debtors	FINAL	Green	0	0	4
NNDR	FINAL	Green	0	0	0
Council Tax	FINAL	Green	0	0	3
Capital Programme & Assets	FINAL	Green	0	0	1
Temporary Accommodation	FINAL	Amber/Green	0	1	5
<b><i>Payroll</i></b>	<b><i>FINAL</i></b>	Green	<b><i>0</i></b>	<b><i>1</i></b>	<b><i>2</i></b>
<b><i>Treasury Management, Cash &amp; Banking</i></b>	<b><i>FINAL</i></b>	Green	<b><i>0</i></b>	<b><i>1</i></b>	<b><i>2</i></b>
<b><i>Tendering &amp; Contract Management</i></b>	<b><i>FINAL</i></b>	Green	<b><i>0</i></b>	<b><i>0</i></b>	<b><i>3</i></b>
<b><i>Risk Management</i></b>	<b><i>FINAL</i></b>	Green	<b><i>0</i></b>	<b><i>1</i></b>	<b><i>1</i></b>
<b><i>General Ledger</i></b>	<b><i>FINAL</i></b>	Green	<b><i>0</i></b>	<b><i>1</i></b>	<b><i>4</i></b>
<b><i>Follow Up</i></b>	<b><i>FINAL</i></b>	<b><i>Adequate Progress</i></b>	<b><i>0</i></b>	<b><i>4</i></b>	<b><i>8</i></b>

## Other Matters

### Planning and Liaison:

On-going liaison takes place with the Service Manager - Finance and other relevant managers in respect of scoping and planning each of the audit assignments.

### Internal Audit Plan 2013/14 - Change Control:

Action	Date	Agreed By
Potential cost savings, by reduction in days.	October 2013	CCG – Nov 2013

## Action Plans for Key Recommendations

(Medium or High recommendations only)

### Payroll- Final

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1	<p><b><i>Recommendation raised last year:</i></b></p> <p>(a) Management should ensure a formal partnership agreement for the provision of payroll service is in place as soon as possible between the Council and payroll service provider, Gedling Borough Council.</p> <p>(b) The partnership agreement should clearly define the responsibilities of both parties, as well as the expected service levels.</p> <p>(c) The partnership agreement should be signed and dated by senior representatives from both parties.</p>	Medium	Y	Gedling are currently reviewing the contract with RBC and the supplier and an agreement will be signed in due course.	July 2014	P Linfield



**Treasury Management, Cash & Banking- Final**

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1	<p><i>Recommendation previously raised in 2012/13 review.</i></p> <p>a) A detailed annual cash flow should be prepared for the financial year 14/15 once the budget is approved by the Council.</p> <p>b) The cash flow statement should then be monitored and updated on a monthly basis when the major inflows and outflows are identified on a month by month basis.</p> <p>c) The cash flow statements should be formally reviewed by senior management to ensure that all obvious gaps or potential issues with cash flow are identified.</p> <p>d) Differences between the forecasted cash flow and the actual cash flow over £500k should be investigated promptly, and depending on the circumstances, future cash flow forecasts can be updated accordingly.</p>	Medium	Y	We accept that this needs to be undertaken, but given the size of the Council's cash balances it is not a medium risk in terms of any liquidity issues for the Council.		

## Tendering & Contract Management- Final

No high or medium risk recommendations were raised as a result of this audit.

## Risk Management- Final

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1	Where the current, actual risk score is higher than the target risk score, the risk owner should provide an action plan that identifies the actions necessary to further mitigate the risk and reduce its potential likelihood and impact, to the target level. Where these additional mitigating actions cannot be justified, the routine risk review process will result in the target risk score being raised.	Medium	Y	Work will be undertaken with relevant managers to identify the risks where mitigation will reduce impact / likelihood to the target risk score.	1 May 2014	Daniel Swaine

## General Ledger- Final

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1	The Group Accountant's approval limits should be rectified and a report produced to ensure that no unauthorised activity has taken place.	Medium	Y	Limits are currently being reviewed.	June 2014	P Linfield

**Follow Up- Final**

Ref	Recommendation	Categorisation	Accepted Y/N	Management Comment	Implementation Date	Manager Responsible
<b>1.12/13 Overtime (Authorisation and Payment)</b>						
3.1.1	An up-to-date authorised list of signatories should be produced, with a review cycle established to ensure that the authorised signatories list is reviewed and updated on a regular basis.	Medium	Y	Signatory list updated February 2014.	Feb 2014	P Steed
<b>7.12/13 Housing Benefits</b>						
3.5.1	Employees who have stated on the declaration form any relative, partner, friend or acquaintance, access to these accounts should be restricted to ensure there are no inappropriate changes made.	Medium	N	Access cannot be restricted. Declaration forms have to be completed and signed before access to the system is granted.	Feb 2013	P Steed
<b>10.12/13 Main Accounting System &amp; Budgetary Control</b>						
3.7.5	Once 'normal' operations of the finance system are established, a structured month end timetable / checklist should be introduced to ensure all activities are completed each month and the period end is appropriately closed down in a timely manner.  This can then be used as an audit trail for the period end, providing evidencing who did what and when, thus ensuring that tasks have been completed in order and in a timely manner each month.	Medium	Y	To be introduced following the production of the Statement of Accounts.	July 2014	A Hall-Wright

Ref	Recommendation	Categorisation	Accepted Y/N	Management Comment	Implementation Date	Manager Responsible
<b>12.12/13 Partnerships - Carillion, East Leake</b>						
3.8.2	In order to reduce the risk of falsified or inaccurate information, the Council should consider undertaking spot checks of the results of the surveys carried out by the Leisure Centre and undertaking an annual customer satisfaction survey independently.	Medium	Y	To be undertaken by the Performance and Reputation Team.	Sept 2014	B Knowles
<b>18.12/13 Insurance</b>						
3.14.1	Day to day procedures for dealing with insurance claims should be documented and made available to the relevant staff within Finance who may need to undertake the duties in the absence of the Senior Finance Officer.	Medium	Y	To be undertaken.	August 2014	A Hall-Wright

<b>Recommendation Categorisation</b>	
Our findings and recommendations are categorised as follows:	
<b>Priority</b>	<b>Description</b>
<b>High</b>	Recommendations are prioritised to reflect our assessment of risk associated with the control weaknesses.
<b>Medium</b>	
<b>Low</b>	

<b>Opinions</b>			
The definitions for the level of assurance that can be given are:			
<b>Opinion</b>	<b>Description</b>	<b>Opinion</b>	<b>Description</b>
<b>Red</b>	Taking account of the issues identified, the Board cannot take assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied or effective. Action needs to be taken to ensure this risk is managed.	<b>Amber / Green</b>	Taking account of the issues identified, the Board can take reasonable assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective.  However we have identified issues that, if not addressed, increase the likelihood of the risk materialising.
<b>Amber / Red</b>	Taking account of the issues identified, whilst the Board can take some assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective, action needs to be taken to ensure this risk is managed.	<b>Green</b>	Taking account of the issues identified, the Board can take substantial assurance that the controls upon which the organisation relies to manage this risk/area are suitably designed, consistently applied and effective.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

This report is supplied on the understanding that it is solely for the use of the persons to whom it is addressed and for the purposes set out herein. Our work has been undertaken solely to prepare this report and state those matters that we have agreed to state to them. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from Baker Tilly Risk Advisory Services LLP for any purpose or in any context. Any party other than the Board which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Baker Tilly Risk Advisory Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to our Client on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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## Report of the Executive Manager - Finance and Commercial

### 1. Summary

- 1.1 As part of its annual work programme the Corporate Governance Group receives both in year progress reports and a year-end annual report from the Council's internal auditors, Baker Tilly.
- 1.2. The annual report which supports the annual governance statement is provided at **Appendix A**. Members should note the improvement in Risk Management with an overall improving direction of travel, with substantial assurance given by Baker Tilly concerning the Council's arrangements for governance, risk management and internal control.

### 2. Recommendation

- 2.1 It is RECOMMENDED that the Corporate Governance Group notes the Internal Audit's Annual Report 2013/14 (Appendix A).

### 3. Reasons for Recommendation

- 3.1 To conform with best practice and Public Sector Internal Audit Standards; and give assurance to the Corporate Governance Group regarding the Council's internal control environment.

### 4. Supporting Information

- 4.1 The Internal Audit Annual Report at Appendix A (attached) highlights the fact that Internal Audit, from the work they have undertaken during the year, can give a substantial audit opinion with regards to Governance, Risk Management and Internal Control. Moreover this has improved since 2012/13.
- 4.2 From 20 audit reviews, 16 were rated green (substantial assurance) and 4 were amber/green (reasonable assurance).

### 5. Other Options Considered

- 5.1 Not Applicable

## 6. Risk and Uncertainties

- 6.1 A poor Annual Internal Audit Report would cast doubts regarding the Council's governance arrangements and potentially impact upon the audit opinion for the Statement of Accounts.

## 5. Implications

### 5.1.1 Finance

There are no direct financial implications to the report. Indirectly a better internal control environment suggests risk has reduced and can result in a reduced audit workload and therefore cost.

### 5.1.2 Legal

None

## 5.2 Corporate Priorities

Not applicable

## 5.3 Other Implications

None

<b>For more information contact:</b>	Peter Linfield Service Manager (Finance and Commercial) 0115 914 8439 email <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Internal Audit Progress Reports during 2013/14
<b>List of appendices (if any):</b>	Appendix A – Internal Audit Annual Report 2013/14



# **Rushcliffe Borough Council**

Internal Audit Annual Report – Year ended 31 March 2014

Presented at the Corporate Governance Group meeting of: 19<sup>th</sup> June 2014

Chris Williams

Baker Tilly Risk Advisory Services LLP

# 1. Internal Audit Opinion

## 1.1 Context







As the provider of the internal audit service to Rushcliffe Borough Council we are required to provide the Section 151 Officer and the Corporate Governance Group an opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

As your internal audit provider, the audit opinions that Baker Tilly Risk Advisory LLP (Baker Tilly) provides the organisation during the year are part of the framework of assurances that assist the Council prepare an informed annual governance statement.

## 1.2 Internal Audit Opinion 2013/2014

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion on the adequacy and effectiveness of Rushcliffe Borough Council's arrangements.

For the 12 months ended 31 March 2014, based on the work we have undertaken, our opinion regarding the adequacy and effectiveness of Rushcliffe Borough Council's arrangements for governance, risk management and control is as follows:

	Red   Amber   Green	Direction of travel
<p><b>Governance</b></p> <p>Our opinion has been drawn from our governance review, knowledge of the Council's governance structure and processes and attendance at Corporate Governance Group throughout the year. We have therefore concluded a 'green' opinion for governance.</p>		
<p><b>Risk Management</b></p> <p>Our opinion has been drawn from our knowledge of the Council's risk management framework and the audit work undertaken during the year in relation to risk management which identified the enhancements to the existing framework. We have therefore concluded a 'green' opinion for risk management.</p>		
<p><b>Control</b></p> <p>In terms of internal control we have given a 'green' positive opinion, based on the range of internal audit assurance assignments undertaken throughout the year.</p>		

*Note: The direction of travel arrow indicates whether the change in our opinion related to the previous year is upward (improving), downward (adverse) or static.*

## 1.3 The Basis of the Opinion

### 1.3.1 Governance

Our **governance** work undertaken for the year focused on compliance with the expenses policy. We gave this area a 'green' rating; however we do acknowledge that this is only one element of the governance framework. Therefore we have also drawn on our knowledge of the Council and our attendance at the Corporate Governance Group meetings throughout the year to be able to give an overall 'green' positive opinion for governance.

### 1.3.2 Risk Management

We undertook a review of **risk management** and gave a 'green' assurance rating. The audit resulted in one low and one medium recommendation. We have therefore given an overall 'green' opinion for risk management. We are pleased to note this return to a 'green' rating for this year and acknowledge the Council's enhancements to the risk management framework.

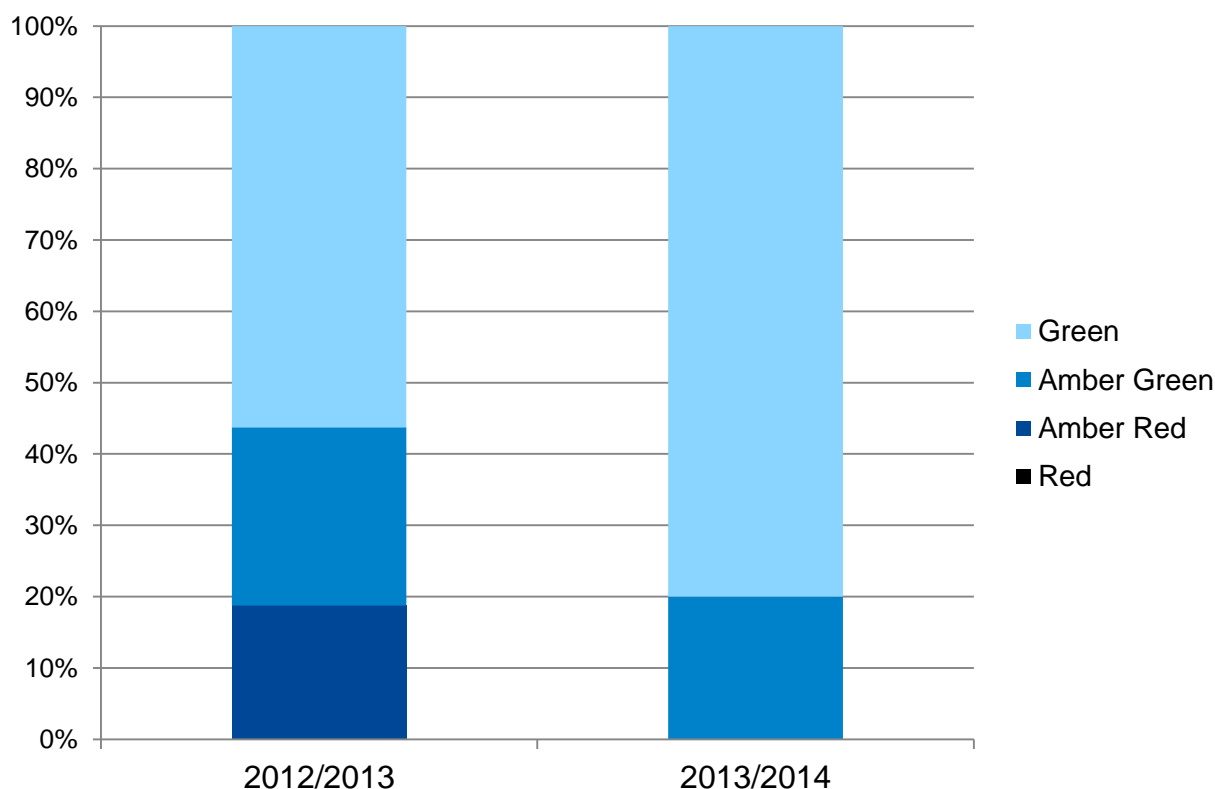
### 1.3.3 Control

We undertook 20 audit reviews throughout the year and gave the following assurance ratings: 16 of which were 'green'; 4 were 'amber/green'. Therefore overall we have concluded a 'green' opinion for **control**.

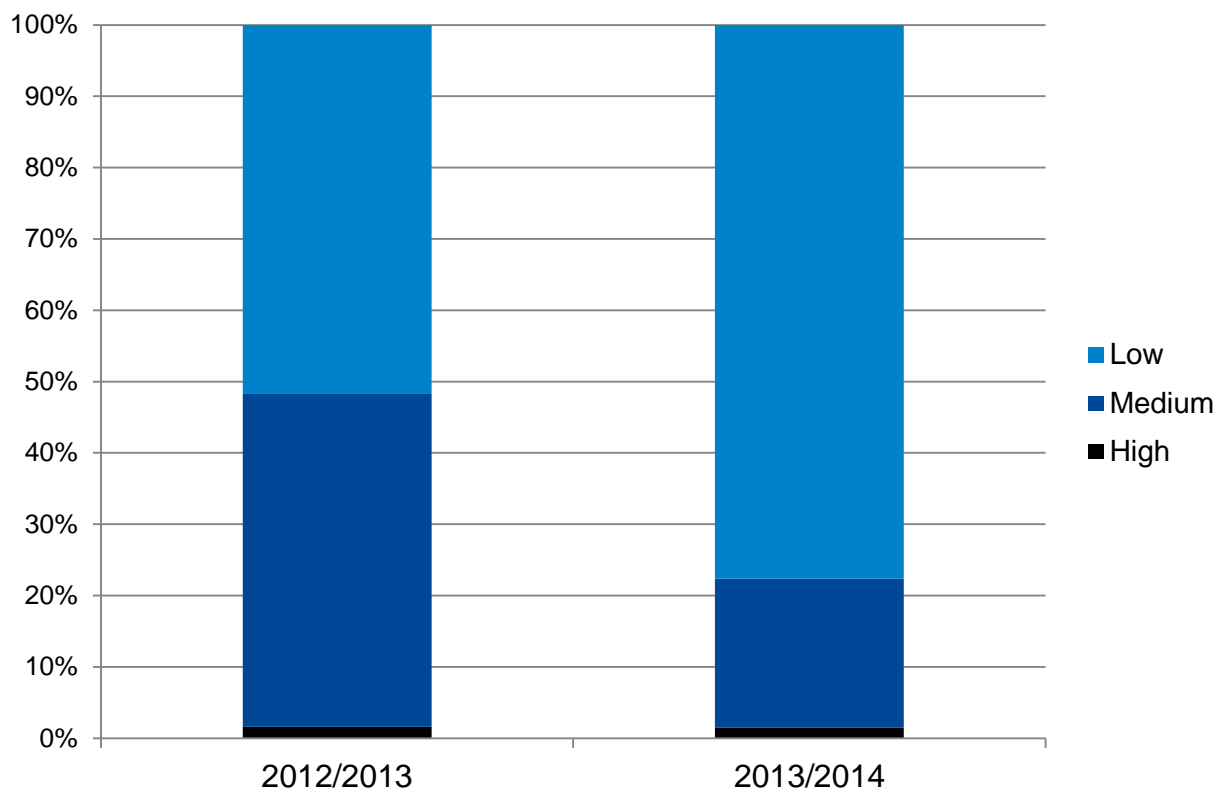
### 1.3.4 Acceptance of Recommendations

Not all of the recommendations made during the year were accepted by management. Management did not accept a medium risk recommendation from the Follow Up report (in relation to Housing Benefits); we were informed that this was due to the constraints of the system and compensating controls are in place. In addition two low risk recommendations were not accepted in the Treasury Management, Cash & Banking report; these were recommendations relating to evidencing review of documents and reconciliations; again management set out the compensating controls in place.

### 1.3.5 Comparison of Internal Audit Opinions (Assurance assignments) in 2013/2014 compared with 2012/2013



## 1.3.6 Comparison of Internal Audit recommendations made 2013/2014 compared with 2012/2013



## 1.3.7 Progress made with previous internal audit recommendations

Our follow up of the recommendations made in 2012/13, including those that were outstanding from previous years, showed that the organisation has made adequate progress in implementing the agreed recommendations, as summarised below:

Recommendation Priority	Number made in 2012/2013	Of which:	
		Addressed	Not implemented or still in progress
High	1	1	0
Medium	14	7	7
Low	29	19	10
<b>Totals</b>	<b>44</b>	<b>27</b>	<b>17</b>

## 1.3.8 Reliance Placed Upon Work of Other Assurance Providers

In forming our opinion we have not placed any direct reliance on other assurance providers.

## 2. Our Performance

### 2.1 Wider value-adding delivery

As part of our client service commitment, during 2013 we issued 12 local government client updates and 3 general briefings.

### 2.2 Conformance with Internal Audit Standards

Baker Tilly affirms that our internal audit services to Rushcliffe Borough Council are designed to conform with the Public Sector Internal Audit Standards (PSIAS) which came in to effect from 1 April 2013.

Under the standards, internal audit services are required to have an external quality assessment at least once every five years. During 2011 our Risk Advisory service line commissioned an external independent review of our internal audit services to provide assurance whether our approach meets the requirements set out in the International Professional Practices Framework (IPPF) published by the Global Institute of Internal Auditors (IIA). The PSIAS are based upon the IPPF, and therefore we are confident that the results of this review apply to our continuing services in the sector.

The external review concluded that *“the design and implementation of systems for the delivery of internal audit provides **substantial assurance** that the standards established by the IIA in the IPPF will be delivered in an adequate and effective manner”*.

### 2.3 Conflicts of Interest

We (Baker Tilly) have not undertaken any work or activity during 2013/2014 that would lead us to declare any conflict of interests.

## Appendix A: Internal Audit Opinions and Recommendations 2013/2014

Audit	Link to risk or rationale for coverage	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Bingham Market	Risk - Failure to control and administer the markets services in terms of allocations, compliance with policy and income collection.	Amber / Green	0	2	2
Commercial Property Portfolio	With the Council's increased property portfolio, we will provide assurance that there is an appropriate control framework in place over the tenancy arrangements, rental income and maintenance.	Green	0	1	2
Home Alarm Scheme	Risk - Failure to provide an efficient and effective home alarm scheme for the community.	Green	0	0	0
Transformation and Cost Savings Review	Discussions between Internal Audit and Management to identified that the Council are due to report on the effectiveness of previous schemes in terms of service redesign and whether savings have been achieved. We will provide challenge and assurance on the content of the report.	Green	0	0	0
Governance - Compliance with Expenses Policy	We undertake an annual review of Governance focussing on a key area following discussions with management.	Green	0	1	3
Community Support Grants	Risk - Failure to administer and control the annual community support grants for members (£1000 per member, per year).	Green	0	1	0
Community Facilities	This review was bought forward from the previous year 12/13 and focussed on the bookings process and accessibility to the public.	Amber / Green	0	0	8
Strategic Housing Capital	Risk - Failure to control and administer the capital budget allocation for strategic housing.	Green	0	0	1
Income and Debtors	External audit reliance & Internal Control Compliance	Green	0	0	4

Audit	Link to risk or rationale for coverage	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Ordering and Creditors	External audit reliance & Internal Control Compliance	Amber / Green	1	0	2
Housing Benefits	External audit reliance & Internal Control Compliance	Green	0	0	1
NNDR	External audit reliance & Internal Control Compliance	Green	0	0	0
Council Tax	External audit reliance & Internal Control Compliance	Green	0	0	3
Capital Programmes and Assets	External audit reliance & Internal Control Compliance	Green	0	0	1
Treasury Management	External audit reliance & Internal Control Compliance	Green	0	1	2
Risk Management	An annual requirement in order to support our opinion.	Green	0	1	1
Temporary Accommodation	This review was bought forward from the previous year 12/13 the aim was to give assurance over the Council's temporary accommodation schemes.	Amber / Green	0	1	5
Payroll	External audit reliance & Internal Control Compliance	Green	0	1	2
General Ledger	External audit reliance & Internal Control Compliance	Green	0	1	4
Follow Up	Annual follow up of previous audit recommendations.	ADEQUATE	0	4	8
Tendering & Contract Management	A cyclical review of the compliance over the contracts and tendering undertaken by the Council.	Green	0	0	3
<b>Total</b>			<b>1</b>	<b>14</b>	<b>52</b>

We use the following levels of opinion classification within our internal audit reports:

Red	Amber / Red	Amber / Green	Green
<p>Taking account of the issues identified, the Board cannot take assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.</p> <p>Action needs to be taken to ensure this risk is managed.</p>	<p>Taking account of the issues identified, whilst the Board can take some assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective, action needs to be taken to ensure this risk is managed.</p>	<p>Taking account of the issues identified, the Board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.</p> <p>However we have identified issues that, if not addressed, increase the likelihood of the risk materialising.</p>	<p>Taking account of the issues identified, the Board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.</p>

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

This report is supplied on the understanding that it is solely for the use of the persons to whom it is addressed and for the purposes set out herein. Our work has been undertaken solely to prepare this report and state those matters that we have agreed to state to them. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from Baker Tilly Risk Advisory Services LLP for any purpose or in any context. Any party other than the Board which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Baker Tilly Risk Advisory Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to our Client on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Baker Tilly Risk Advisory Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

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## Report of the Executive Manager - Finance and Commercial

### 1. Summary

This report outlines the successful detections of Fraud by the Council in 2013/14 and sets out how the cases of fraud have been dealt with.

### 2. Recommendation

It is RECOMMENDED that the update be noted.

### 3. Supporting Information

#### 3.1.1 Internal Audit Investigations

3.1.2 There has been no special fraud investigation during 2013/14 by Internal Audit to bring to Members' attention.

#### 3.1.3 Housing and Council Tax Support/Benefit Fraud

3.1.4 During 2013/14 the Benefit Fraud Investigator investigated 78 cases (72 in 2012/13) of which 19 were found to be irregular (16 in 2012/13).

3.1.5 The reasons for these 19 irregularities were:

Undisclosed partner	7 cases
Failure to disclose capital	5 cases
Failure to disclose commencement of employment	2 cases
Failure to disclose vacated property	2 cases
False/undisclosed income	2 cases
Failure to declare increase in income	1 case

3.1.6 The number of cases where sanctions have been applied has decreased from 18 in 2012/13 to 11 in 2013/14:

5 claimants were offered and accepted a formal caution  
4 claimants were offered and accepted an administrative penalty  
2 claimants were successfully prosecuted

However, there are 10 prosecutions and 1 administrative penalty pending.

3.1.7 The outcomes of the two prosecutions are as follows:

<b>Name</b>	<b>Overpayment</b>	<b>Sentence</b>
Sar	£2,993.31	Fined £85 plus costs of £125
McMenamin	£4,183.57	2 year conditional discharge + costs of £85

- 3.1.8 The prosecution policy allows that, in some cases, no action will be taken where the amount involved is low, where there is insufficient evidence, or prosecution would not be in the public interest. There is still sanction action pending against a number of the cases under investigation.
- 3.1.9 The financial impact of individual cases can vary significantly and, as a result, the 19 cases identified above resulted in overpayments of £246,588 compared to £39,944 in 2012/13.
- 3.1.10 Attempts to recover these overpayments are always made. For 2013/14, of the £246,588 identified there is £162,629 outstanding. The amount outstanding in relation to 2012/13 fraudulent overpayments is £18,723 and recovery action is ongoing. To put this in context overall Housing Benefit and Council Tax Reduction Scheme expenditure is in excess of £22m, with overpayments therefore amounting to 1.1% of spend.
- 3.1.11 In addition to any recoveries, the Borough Council also receives subsidy for such overpayments. Subsidy due in respect of these overpayments amounts to 40% of the overpayment. Subsidy is no longer received separately in respect of prosecutions and caution/administrative penalty cases. This is now incorporated into the main Benefit Administration subsidy grant.

### **3.2 Other fraud and error work**

- 3.3.1 Additionally the fraud team identified overpayments totalling £54,181 from the remaining 59 cases that were investigated but not classed as fraud.
- 3.3.2 The team also received 261 data-matches to review from the DWP's Housing Benefit Matching Service (HBMS). Manual reviews and data matching were undertaken on these cases.

### **3.3 Single Fraud Investigation Service (SFIS)**

- 3.4.1 The Government is merging the benefit fraud investigation work of local authorities, DWP and HMRC into one service known as SFIS. The roll-out will begin in October 2014 and be completed by March 2016. The Council has been informed it will no longer investigate HB fraud from 1 November 2015 and the Benefit Fraud Investigator post is in scope to transfer to the DWP. As such the Council will need to consider how it will approach fraud work in the future, especially as it will still need to address other areas of potentially fraudulent activity in areas such as Council Tax Support, Insurance claims, Grant claims and Tenancy Fraud and it will need to make this decision over the next year.

### **3.4 Council Tax and NNDR Fraud**

- 3.5.1 All empty properties in respect of Council Tax and NNDR are visited and inspected a minimum of four times every year.

3.5.2 During 2013/14 5,542 review forms were issued in respect of discounts and reliefs; this resulted in the removal of 439 discounts with an estimated value of £153,391.

3.5.3 The Council also participates in the Audit Commissions biennial data-matching exercise involving Council Tax and Electoral Register data. The data-matches have now been released to the Council and will be reviewed throughout 2014/15 in conjunction with the review detailed at paragraph 3.5.3.

#### **4. Risk and Uncertainties**

4.1 The failure to identify fraud and pursue overpayments of benefit and discounts would have an adverse impact on the Council. The activities detailed in this report help to detect and prevent fraud and maximise income due to the Council. The proposed move to SFIS in November 2015 will result in reduced funding and will potentially remove the investigative resource from the Authority.

#### **5. Implications**

##### **5.1 Financial**

As identified at 3.2.8 the Council only receives 40% subsidy on benefit overpayments and therefore must recover at least 60% of the overpayment from the individuals concerned if there is to be no residual cost on the Council.

##### **5.2 Legal**

None

##### **5.3 Corporate Priorities**

A key objective of the Revenues and Benefits function is to maximise the recovery of benefit overpayments in a timely manner including vigorously pursuing benefit fraud in accordance with statutory requirements and Council policies. Maximisation of income supports the Council's key themes of;

- Supporting economic growth to ensure a prosperous and thriving local economy; and;
- Maintaining and enhancing our residents' quality of life

##### **5.4 Other Implications**

None

<b>For more information contact:</b>	Name: Rosie Caddy Revenues and Benefits Manager 0115 914 8251 <a href="mailto:rcaddy@rushcliffe.gov.uk">rcaddy@rushcliffe.gov.uk</a>
<b>Background papers available for inspection:</b>	None
<b>List of appendices:</b>	None

# Protecting the Public Purse

## Fraud Briefing 2013

### Rushcliffe Borough Council



# Agenda

- Introduction and purpose of your Fraud Briefing
- *Protecting the Public Purse (PPP) 2013* report – national picture
- Interpreting fraud detection results
- The local picture
- Questions?

## *And do not forget*

- *Checklist for those charged with governance (Appendix 2 of PPP 2013)*
- *Questions councillors may want to ask/consider (Appendix 3 of PPP 2013)*

# Introduction

- Fraud costs local government in England over £2 billion per year (*source: National Fraud Authority*)
- Fraud is never a victimless crime
- Councillors have an important role in the fight against fraud

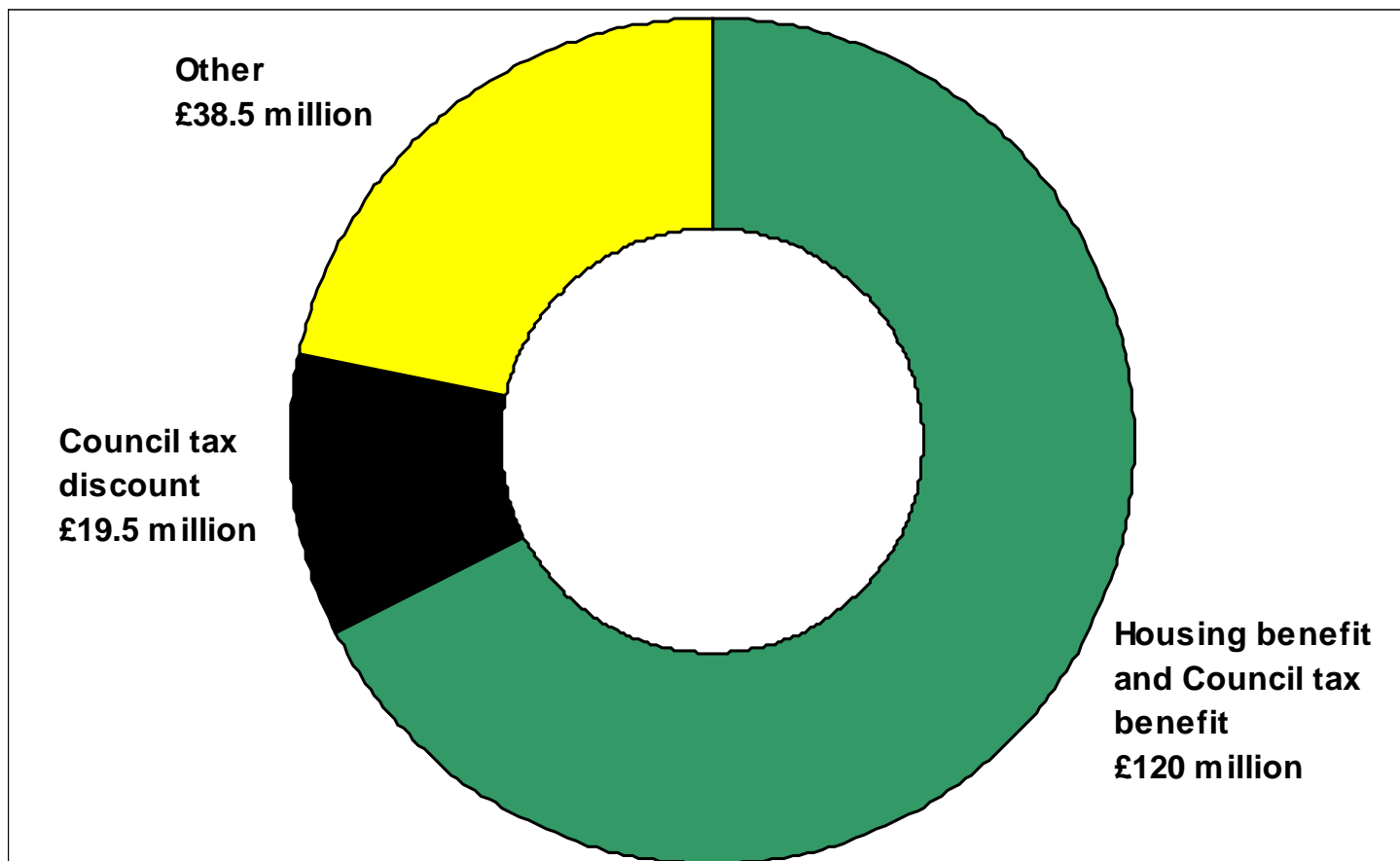


# Purpose of Fraud Briefing at your council

- Opportunity for councillors to consider fraud detection performance, compared to similar local authorities
- Reviews current counter fraud strategy and priorities
- Discuss local and national fraud risks
- Reflect local priorities in a proportionate response to those risks

# National Picture 2012/13

**Total cases detected 107,000, with a value of £178 million (excluding social housing fraud)**



***Nationally, the number of detected frauds has fallen by 14% since 2011/12 and the value by less than 1%***



# Interpreting fraud detection results

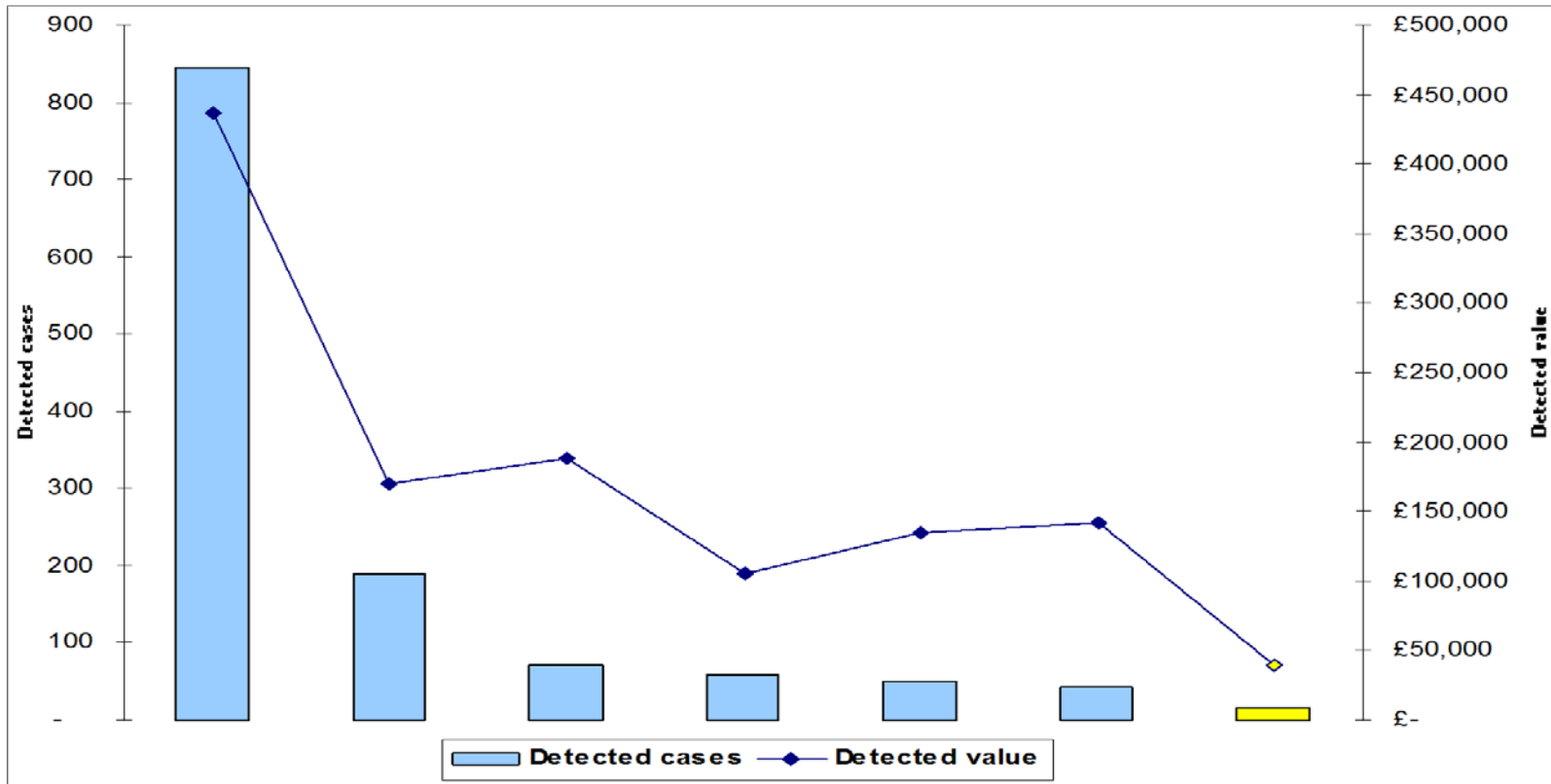
- Contextual and comparative information needed to interpret results
- Detected fraud is indicative, not definitive, of counter fraud performance (Prevention and deterrence should not be overlooked)
- No fraud detected does not mean no fraud committed (Fraud will always be attempted and even with the best prevention measures some will succeed)
- Councils who look for fraud, and look in the right way, will find fraud (There is no such thing as a small fraud, just a fraud that has been detected early)

*Your council is highlighted in yellow in the graphs that follow*

# The local picture

## How your council compares to other district councils in your county area

### Total detected cases and value 2012/13



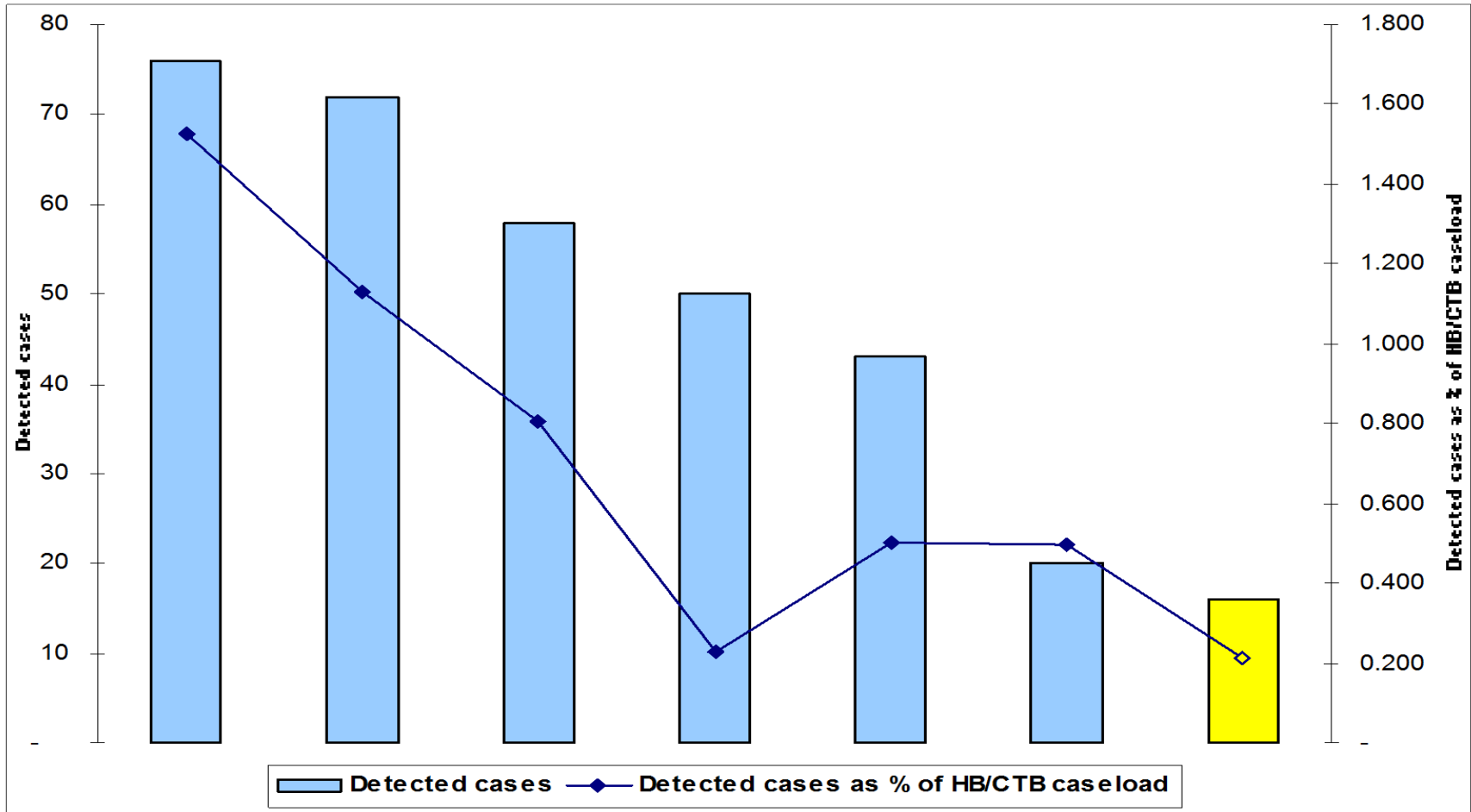
Rushcliffe detected: 16 cases, valued at £39,944

DC average for your county area: 182 cases, valued at £173,891

# District councils in your county area 2012/13

## Housing benefit (HB) and Council tax benefit (CTB) fraud

### Detected cases and detected cases as a percentage of HB/CTB caseload



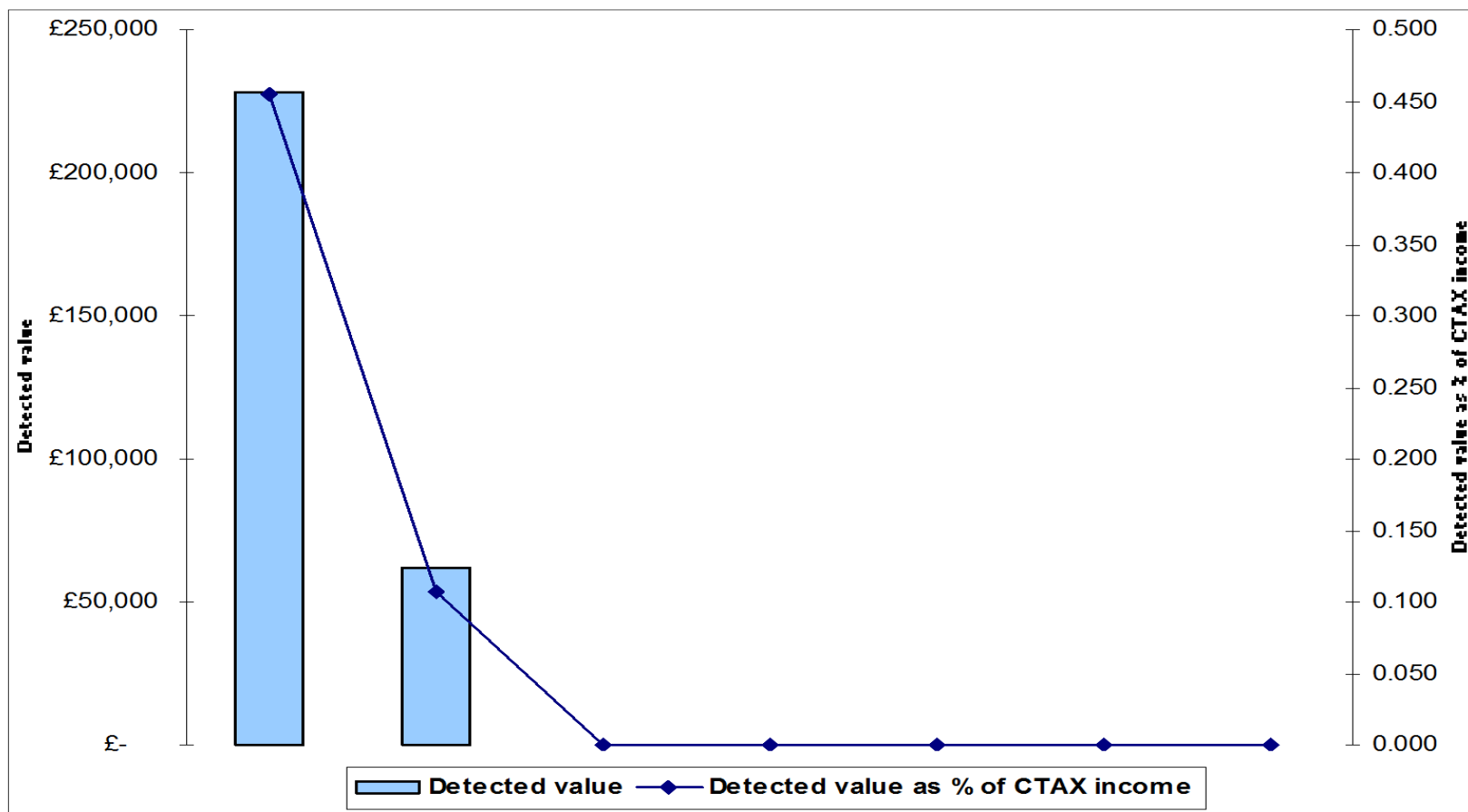
Rushcliffe detected: 16 cases, valued at £39,944

DC average for your county area: 48 cases, valued at £132,456

# District councils in your county area 2012/13

## Council tax (CTAX) discount fraud

### Detected value and detected value as a percentage of council tax income



Rushcliffe detected: no cases

DC average for your county area: 134 cases, valued at £41,435



# Rushcliffe Borough Council

## Other frauds

- **Procurement:** no cases

*(Ave per DC in your county area: no cases*

*Total for all local government bodies in your region: 4 cases, valued at £39,044)*

- **Insurance:** no cases

*(Ave per DC in your county area: no cases*

*Total for all local government bodies in your region: 3 cases, valued at £7,300)*

- **Economic & Third sector:** no cases

*(Ave per DC in your county area: no cases*

*Total for all local government bodies in your region: 2 cases, valued at £54,730)*

- **Internal fraud:** no cases

*(Ave per DC in your county area: <1 case, valued at £2,572*

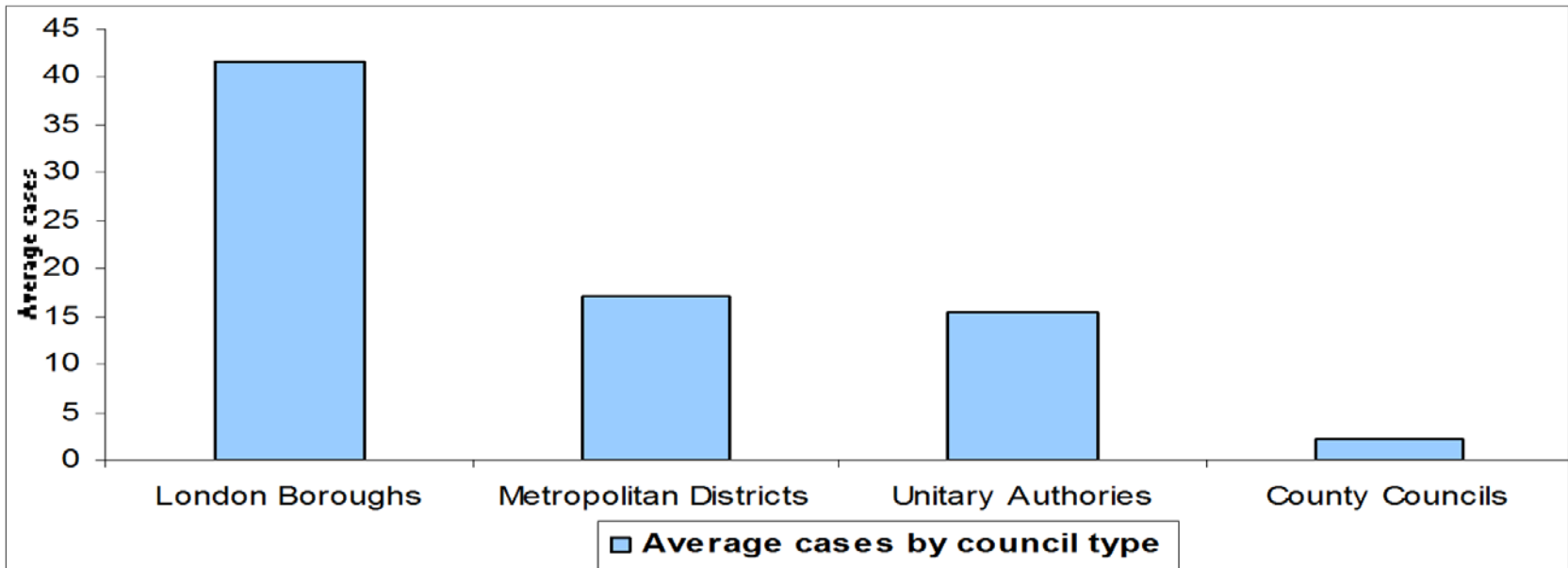
*Total for all local government bodies in your region: 59 cases, valued at £353,807)*

*Correctly recording fraud levels is a central element in assessing fraud risk*

*It is best practice to record the financial value of each detected case*



# Disabled parking (Blue Badge) fraud Detected cases by issuing council type



In two-tier areas:

- county councils have administrative responsibility for issuing blue badges
- district councils face reduced car parking income as a result of the fraudulent abuse of blue badges.

# District councils without housing stock 2012/13

## Social housing fraud

It is estimated that:

- 2 per cent of social housing stock outside London is subject to tenancy fraud;
- tenancy fraud represents the second largest financial loss to fraud in local government, costing £845 million in 2013; and
- when combined with the loss to tenancy fraud suffered by housing associations, the total value in England is £1.8 billion – making tenancy fraud five times greater than the annual loss due to housing benefit fraud.

The Prevention of Social Housing Fraud Act 2013 criminalises tenancy fraud

The legislation gives councils investigation powers and the ability to prosecute tenancy fraudsters on behalf of housing associations

Should you be using this legislation to work in partnership with local housing associations?

## Report of the Executive Manager – Operations and Corporate Governance

### 1. Summary

- 1.1. Attached to this report is the Council's sixth Health and Safety Annual Report which provides a summary of the Council's occupational health and safety performance during the year 1 April 2013 to 31 March 2014.
- 1.2. The Annual Report is structured in such a way as to reflect Health and Safety Executive guidance. It summarises the Council's health and safety policies, procedures and activities which have taken place over the last year. It also sets out training programmes delivered, provides numerical and statistical data and the proposed health and safety objectives for the year.

### 2. Recommendation

- 2.1. It is recommended that the Corporate Governance Group:
  - considers the detailed information contained within the Annual Health and Safety Report,
  - notes the significant progress made against the health and safety goals and objectives previously agreed by the Group for the financial year 2013/14; and
  - endorses the proposed health and safety objectives for 2014/15 as set out in the report.

### 3. Supporting Evidence

- 3.1. None

### 4. Other Options Considered

- 4.1. None

### 5. Risk and Uncertainties

- 5.1. Failure to consider the Annual Health and Safety Report and endorse the objectives may result in a failure to meet the requirements of the Council's corporate health and safety framework.



## **6. Implications**

### **6.1. Finance**

There are no direct financial implications

### **6.2. Legal**

There are no direct legal implications

### **6.3. Corporate Priorities**

Endorsement of the health and safety report and objectives for 2014/15 supports the delivery of the Council's Corporate Priorities as set out in the Council's Corporate Strategy.

### **6.4. Other Implications**

None considered

<b>For more information contact:</b>	Name; Joanne Wilkinson Health and Safety Advisor 0115 914 8561 email <a href="mailto:jwilkinson@rushcliffe.gov.uk">jwilkinson@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Nil
<b>List of appendices (if any):</b>	Appendix detailing the Health and Safety Annual Report April 2013 to end March 2014

# HEALTH AND SAFETY ANNUAL REPORT

April 2013 to end March 2014

## **1. INTRODUCTION**

- 1.1 This annual report sets out the Council's occupational health and safety performance during the year 1 April 2013 to 31 March 2014. It is split into a number of sections highlighting the key issues that Elected Members need to be aware of. It sets out new policies which have been implemented as part of the control measures within the corporate health and safety framework.
- 1.2 Furthermore the update provides an indication of the effectiveness and success of the health and safety control measures the Council has in place with evidence showing training delivered, progress towards meeting health and safety aims and objectives and the number of accidents recorded.

## **2. KEY ACTIVITIES**

### **2.1 Policy Review**

The Council has a programme of policy review and implementation to support effective health and safety management. One of the health and safety objectives endorsed by Corporate Governance Group at the last annual report was to complete the policy review for Risk Assessment Policy and to review the next two priority policies which were Display Screen Equipment and Control of Substances hazardous to Health (COSHH). An update on this can be found in section 3 of this report.

- 2.2 In addition to the work undertaken on the policy reviews prioritised by the Council, the following policies also received minor reviews and updates:

- Hand Arm Vibration Policy
- Work at Height Policy
- Legionella Policy
- Lone Worker Policy
- Young Persons and Work Experience Policy

### **2.3 Training**

Health and safety training needs are identified in a number of ways including Personal Development Reviews (PDRs), regular one to ones, team meetings and through the Executive Management Team. The Health and Safety Advisor also ensures that training is consistent with our duties and legal responsibilities.

- 2.4 All health and safety training needs identified in PDR's for this year have been delivered.
- 2.5 One of the objectives for this year was to carry out a training needs analysis (TNA) on health and safety. The purpose of this TNA was to question employees on the effectiveness of training that they had attended in the past and to give them the opportunity to raise future training requirements. This was completed for a majority of staff electronically using Survey Monkey. Paper copies of the survey were provided for manual staff at the Depot and on three consecutive afternoons 2 members of the HR team attended the Depot site to encourage and support the manual staff on completing the survey.

2.6 164 employees (47%) responded to the survey. 80% of the responders stated that there were no additional health and safety training needs. Some specific training needs were identified by the TNA and courses were added to the rolling training programme which is produced for the year.

2.7 The following health and safety training was organised through the Human Resources service in the last 12 months. In line with the request from Members at a previous CGG meeting, where necessary the number of staff attending training events has been presented as a percentage of staff who should attend them.

## 2.8 Table of Staff Training

<b>Course Subject</b>	<b>Number of Staff attended</b>	<b>% of those requiring training who have been trained</b>	<b>Outcome/impact</b>
Health and safety Induction	11	73%	Mandatory training attended by new employees. Four new starters were due to attend a course in March but this has been postponed due to insufficient numbers.
Evacuation marshal training	6	100%	New staff trained to replace staff who have left. Sufficient number of evacuation marshals trained.
Chief Evacuation Marshal training	5	100%	Training given to employees who work on ground floor reception at the Civic Centre. All relevant staff trained.
Personal Safety	7		1 day training to provide staff with the knowledge and practical skills to recognise and deal with confrontation. Useful for employees who are customer facing.
EvacChair Operator	8	80%	Practical training in the use of the EvacChairs in case these are required in the event of an emergency evacuation from the Civic Centre.
Defibrillator training	10	63%	Practical session to give skills in CPR and use of the defibrillator at the Civic Centre.
COSHH (Chemical) assessment	17		Understanding of the risks from using chemicals and practical session on completing COSHH assessments. This was the main training need highlighted from the TNA.
First aid requalification	2	100%	First aid training is based on a 3 year programme and those staff requiring requalification training have completed the course ensuring compliance with the first aid regulations
Fire safety Training e-learning	213 total	95 %	Refresher training for staff on fire safety issues. There are 223 employees who have been given access to the e-learning over the last 3 years. The aim is to achieve 85%.

Display Screen Equipment e-learning	200 total	90 %	On-line training and assessment of computer workstations. There are 223 employees who have access to the e-learning, however some are new employees and others have received training previously. The aim is to achieve 85%.
Manual Handling e-learning	203 total	91 %	Refresher training on manual handling in low risk office environments. Some staff do not require this training as they have received more comprehensive manual handling training previously. The aim is to achieve 85%.
Legionella awareness e-learning	15	29 % *  *e-learning package went live mid March and figure provided is only up to end March 14.	This training is for all staff who need to be aware of the risks of Legionella within the workplace. 52 staff require this training.
Asbestos awareness e-learning	18	32 %*  *e-learning package went live mid March and figure provided is only up to end March 14.	This training is for all staff who need to be aware of the risks of Asbestos within the workplace. 57 staff require this training.

The above training is also supported by significant on the job training within all Service Areas but in particular at the higher risk Depot site. Training at the Depot is delivered in a number of ways including tool box talks which are brief practical sessions for employees on site. Other types of training also include for example robust induction training specific to the job role, tasks and equipment used, driver training, reversing assistant training and hand arm vibration training. The ultimate aim of the training is to ensure that the job is carried out in the correct and safe manner and to help reduce the risk of accidents.

## 2.9 Meetings of Health and Safety Groups

The Council has in place four health and safety groups to ensure that health and safety is discussed through all levels of the Authority. The Corporate Health and Safety Group meets quarterly and is attended by the Executive Management Team. This Group approves policies and reports and supports the Health and Safety Advisor in determining the Council's priorities in health and safety.

2.10 The Employee Health and Safety Group has been established since September 2009 and meets six monthly. This Group is chaired by the Executive Manager, Operations and Corporate Governance, and is attended by the Health and Safety Advisor and six work place representatives. The Group met in May 2013 and December 2013.

2.11 The One Great Depot Health and Safety Group deals more directly with issues relating to the Depot and meets quarterly. There has been a management review of the consultation groups at the Depot with a decision to

change the format of the groups to encourage a refreshed approach to engagement with staff across the Depot site. The newly formed Depot Health and Safety and Welfare Group held its first meeting in October 2013. This group aims to meet quarterly and is continuing to evolve due to the changes around Fleet Maintenance the Streetwise Franchise.

2.12 The final Health and Safety Group is the Legionella and Asbestos Management Group which meets at least twice yearly and monitors the effectiveness in both these high risk areas. At the last meeting held in November 2013 it was agreed to include Tree Management within this meeting as it was agreed that this was another potential high risk property issue requiring regular monitoring and review.

2.13 In the last twelve months these meetings have enabled consideration to be given to a number of issues including training, working in inclement weather, occupational health, accident statistics, legislation and policy update and service area feedback.

2.14 **Occupational Health**

The Council are supported by an external Occupational Health provider who are utilised to provide a host of occupational health packages. Within the last twelve months the services that they have provided specifically relating to health and safety issues have included:

	Attendance numbers Apr 13 to end March 14	Comment
Pre-employment medicals	25	All potential new employees are assessed through a pre-employment questionnaire at the time of job offer and prior to commencing their role with the Council
Hand arm vibration examination	16 questionnaires 7 assessments	All employees who use vibrating equipment are assessed annually via questionnaire and if required a medical examination is completed
Hearing Tests	26	All employees who use noise emitting equipment undergo an audiometry assessment on a regular basis
Hepatitis injections	25	Employees who are at risk of either needlestick injuries or coming into contact with contaminated waste are given the opportunity to go on the immunisation program
HGV Medical	4	Medical assessments as required for HGV drivers

- 2.15 In line with our commitment to employee wellbeing, Flu injections were offered again this year to all staff. The nurse attended the Civic Centre, Rushcliffe Community Contact Centre and the Depot on 5 November 2013 with a total of 89 flu vaccinations.

### **3. PROGRESS TOWARDS ACHIEVING HEALTH AND SAFETY GOALS**

- 3.1 At its meeting on 6 June 2013 the Corporate Governance Group supported the following health and safety goals. These were previously approved by the Council's Corporate Health and Safety Group and are monitored and reviewed quarterly by them. Progress is set out below.

- ***To complete the policy review consultation for the Risk Assessment Policy and ensure successful implementation***

Policy has been written and went out for full consultation on 28 March 2014 for comments back by 28<sup>th</sup> April. Policy to be implemented in May 2014.

- ***To review the next two top priority policies as determined by the health and safety policy review programme. These are:***
  - ***Display Screen Equipment Policy***
  - ***Control of Substances Hazardous to Health (COSHH) Policy***

The COSHH policy received a full review and update in line with new legislation and following consultation was implemented in January 2014.

The Display Screen Equipment Policy has been reviewed and updated in line with new guidance available and commenced the first stage of consultation in March 2014.

- ***Carry out a training needs analysis (TNA) on health and safety training provided to ensure all employees training needs are being met***

The TNA was completed in July. Training needs highlighted as an outcome of this survey were analysed and appropriate training sessions were organised to meet individual needs.

### **4. PERFORMANCE**

- 4.1 *Accident report forms completed*

Corporately the number of accident report forms completed by employees and agency staff within the twelve month period is set out in the following table:

## Accident report forms completed

	2007/ 08	2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/13	2013/14
Establishment figure head count	379	386	392	388	370	358	340
Depot	70	71	71	83	38	45	34
Civic	21	3	9	9	4	5	5
Community Contact Centre				0	0	1	1
Community Facilities	2	2	1	2	5	5	2
<b>Total</b>	<b>93</b>	<b>76</b>	<b>81</b>	<b>94</b>	<b>47</b>	<b>56</b>	<b>42</b>

4.2 The table and graph above shows that the number of accidents to employees has decreased by 25 % with this decrease taking place at the Depot, our highest risk area. This is extremely pleasing and a positive result for the efforts made in ensuring a continuous focus on health and safety. That said, the mild winter will have contributed to the decrease in accidents rates.

4.3 *Accident reports by type*  
The table below sets out the accident figures by type.

### Accident Report Forms by type

	2007/ 08	2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/13	2013/14
Struck by Moving Object	24	17	21	21	16	14	8
Strike against fixed object	11	17	10	8	7	6	5
Slip / Trip / Fall	24	19	29	26	12	26	9
Manual Handling	20	18	11	21	8	6	12
Animal attack (e.g. dog)	9	5	6	9	1	3	3
Other (Shock/Contact with liquids)	5	0	4	9	3	1	5
<b>Total</b>	<b>93</b>	<b>76</b>	<b>81</b>	<b>94</b>	<b>47</b>	<b>56</b>	<b>42</b>

4.4 Key points to consider from the figures presented in this table are:

- Slip, trip and fall incidents have more than halved compared to last year. However as explained in 4.2 this year's milder winter resulted in far fewer slipping accidents contributed by ice and snow, and is comparable to the incidents of slips and trips in 2011/12 which was also a very mild winter.



- Manual handling incidents have doubled compared to last year. There is no specific trend in this area but manual handling training for manual staff will be an area to be targeted in 2014/15.

4.5 *The number of employee days lost due to accidents*

	2007/ 08	2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/13	2013/14
Number of days lost	115	216	57	155.5	36	166	38

4.6 The figure for days absent from work as a result of an accident whilst at work has decreased significantly when compared to the same time period for 2012/13. Last year's figures were exceptionally high due to one significant accident. This year's figures are comparable to 2011/12.

4.7 The following table shows the incident and injury type for those accidents which resulted in time lost

Incident Type	Location	Number of days
Slip, trip, fall	R2Go	5
Struck by moving object	R2Go	13
Other – Road traffic accident	R2Go	3
Strike against fixed	R2Go	4
Manual Handling	Country Park	7
Manual Handling	Streetwise	2
Manual Handling	Streetwise	4
		<b>38</b>

4.8 Only 7 of the 42 accidents reports completed for this period resulted in time lost due to the accident.

4.9 The highest number of days absent was 13 days. This absence was due to a broken bone in the employees little finger. This occurred as the employee was carrying out refuse duties and as he brought two wheeled bins together he trapped his hand between the bins. This accident was reported to the Health and Safety Executive under the requirements of the RIDDOR legislation and the HSE have carried out no further action.

4.10 *The number of RIDDOR injuries, illnesses and dangerous occurrences involving Council employees*

In the 12 month period only one accident was reported to the Health and Safety Executive as required by the RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) legislation. This compares to five in 2012/13. The accident was reported due to the fact that the employee had over seven days off work as a result of the accident.

#### 4.11 *The number of health and safety enforcement notices*

There have been no visits by the Health and Safety Executive (HSE) or Fire Service. There have not been any enforcement notices served on the Council.

### **5. LEISURE CENTRE FACILITY FIGURES**

5.1 As requested by Members previously, figures below show the accident information for the leisure centres. Members are reminded that these facilities are privately managed and as such, responsibility for health and safety management lies with the companies delivering the facilities. The Council monitors these figures as part of the work to oversee delivery of the leisure contracts.

5.2 As requested at the last CGG meeting the figures for the previous year, 2012/13 have been provided as a comparison. The figures obtained from the contractor for the 12 month period April 2013 to end March 2014 are as follows:

- 473 accidents to members of the public in this 12 month period
- This compares to 428 for 2012/13

5.3 These figures need to be considered in the context of total centre usage of 1,381,075 people for the 12 month period. This equates to 0.34 per 1000 visitors compared to 0.31 for the previous year. Additionally it should be recognised that the incident statistics include injuries sustained during sporting activities such as swimming, football and racquet sports which are outside the control of the leisure provider.

5.4 The health and safety policies and practices of the leisure providers are closely monitored and scrutinised as a part of the regular meetings at both operational and strategic level. Each Leisure provider also reports annually to Performance Management Board which details their performance in relation to ten strategic objectives.

### **6. THE COUNCIL'S WIDER ROLE IN HEALTH AND SAFETY**

6.1 The Council has health and safety duties to persons not in its employment, for example members of public visiting our sites. The risk assessment process and management of the Council's services ensures that risks to the public and contractors are assessed at the same time as the risk to our employees.

6.2 Actions we've taken as a Council to reduce risks to members of public when visiting our premises and also to those involved in activities with Council staff include:

- Fire risk assessments completed and in place for all Council occupied buildings
- Legionella risk assessments completed and in place within all appropriate sites
- Asbestos surveys completed and management plans in place.

- The gritting of car parks during periods of inclement weather to ensure safe access to the public
- The training of Streetwise staff to note and report environmental issues such as potholes and other such hazards
- Scheduled inspections of play equipment at parks

6.3 The proactive actions outlined above help to reduce and manage risk at Council sites and venue. Furthermore they assist in maintaining low accident statistics for the public and contractors in comparison with the volume and numbers of people involved. The table below set out these figures and provides details for previous years for comparison.

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Member of Public	4	5	9	14	10	10
Contractor	1	0	0	0	0	0

6.4 Seven out of the ten accidents occurred to members of public visiting Rushcliffe Country Park, two of which involved the BMX cycle track.

6.5 None of these accidents were reportable under RIDDOR as they did not fit the legal criteria for reporting.

## 7. CONCLUSION

7.1 The information reported in relation to the management of health and safety indicates that figures for number of accidents has reduced by 25 % compared to 2012/13 and is consistent with those for 2011/12. From experience, and previous evidence, the accident figures are affected by the severity of the winter weather conditions. Severe winter weather does result in elevated accident figures due to an increase in slipping and tripping accidents, and therefore the mild winter this year has resulted in the decrease in accident rate.

7.2 The number of days absent from work due to accidents is also at a low level and comparable to 2011/12. As always, employees are encouraged to return to work and this can be helped by the use of the fit note process by the GP which allows employees to return to work earlier on phased return and/or with adaptations to duties.

7.3 Health and safety objectives set at the beginning of the financial year have been met with additional safety policies also being reviewed during this time period.

7.4 In order to ensure continuing development in health and safety policies and practice the following objectives have been determined for the forthcoming year. These objectives have been identified by giving due regard to the issues highlighted in the report.

- To carry out risk based audits on:
  - Display Screen Equipment
  - Control of Substances hazardous to Health
  - Manual Handling

- To review the next three top priority policies as determined by the health and safety policy review programme. These are:
  - Bomb Threat Policy
  - Accident Reporting Policy
  - Hepatitis Policy
  
- Produce Health and Safety Manual for the New Streetwise Service

Table of accident statistics for Leisure Centres 2013/14

	Apr 13	May 13	Jun 13	July 13	Aug 13	Sept 13	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14	Mar 14	RIDDOR	Total Accidents	Total Staff	Total attendance figures
<b>East Leake</b>	6	2	1	0	1	2	2	1	2	2	4	0	0	23	0	222,544
<b>Rushcliffe Leisure Centre</b>	10	22	28	19	7	14	11	12	9	19	9	15	0	175	6	372,899
<b>Bingham Leisure Centre</b>	8	12	12	9	3	11	3	8	3	11	9	15	3	104	11	245,808
<b>Cotgrave Leisure Centre</b>	10	10	7	12	11	9	13	8	4	7	7	12	2	110	4	212,609
<b>Rushcliffe Arena</b>	2	3	2	3	0	2	2	2	1	4	3	7	2	31	2	190,554
<b>Keyworth Leisure Centre</b>	1	2	3	3	3	4	2	0	4	3	2	3	2	30	1	136,661
<b>Total</b>	<b>37</b>	<b>51</b>	<b>53</b>	<b>46</b>	<b>25</b>	<b>42</b>	<b>33</b>	<b>31</b>	<b>23</b>	<b>46</b>	<b>34</b>	<b>52</b>	<b>9</b>	<b>473</b>	<b>24</b>	<b>1,381,075</b>

**Table of accident statistics for Leisure Centres 2012/13**

	Apr 12	May 12	Jun 12	July 12	Aug 12	Sept 12	Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13	RIDDOR	Total Accidents	Total Staff	Total attendance figures
<b>East Leake</b>	4	7	0	4	2	4	1	1	2	0	1	1	0	27	0	210,998
<b>Rushcliffe Leisure Centre</b>	10	15	5	21	16	17	7	12	9	9	14	16	1	151	4	391,958
<b>Bingham Leisure Centre</b>	5	3	9	6	9	3	2	5	0	4	16	7	2	69	3	234,402
<b>Cotgrave Leisure Centre</b>	4	14	4	10	12	11	14	9	5	7	11	14	3	115	6	217,345
<b>Rushcliffe Arena</b>	5	3	6	2	1	3	2	5	1	2	2	5	2	37	4	174,397
<b>Keyworth Leisure Centre</b>	4	3	0	3	1	2	4	4	2	1	3	2	0	29	0	134,368
<b>Total</b>	32	45	24	46	41	40	30	36	19	23	47	45	<b>8</b>	<b>428</b>	<b>17</b>	<b>1,363,468</b>

## Report of the Executive Manager - Finance and Commercial

### 1. Summary

- 1.1 This report is an update with regards to two aspects of the Statement of Accounts - the Annual Governance Statement (AGS) and any changes to the Accounting Policies.
- 1.2 In line with guidance in respect of governance, the Council has produced an AGS. The framework is unchanged from last year and a summary of the principals are given in **Appendix 1**.
- 1.3 It is good practice for the AGS to be considered separately from the published accounts, which will come to the September meeting of this Group. The AGS will be finalised based upon the details given in **Appendix 2** and any comments from either this Group or the Council's external auditors KPMG.
- 1.4 The Council is also required to report any changes to Accounting Policies to those members charged with governance regarding the Financial Statements. Such Policies rarely change as they potentially can impact upon comparative figures from year to year. When changes do occur it is normally due to major changes to accounting rules and regulations, often based on guidance from the Chartered Institute of Public Finance and Accounting (CIPFA). This year there are some changes highlighted below, with the impact of the changes on the Council's Accounting Policies exemplified in **Appendix 3**.
- 1.5 The Accounting Policies are included in the Financial Statements, and any changes made as a result of the audit process will be highlighted and explained in the final report to this Group in September 2014.

### 2 Recommendation

- 2.1 It is RECOMMENDED that:
  - (a) the details given in Appendix 2 be supported as the basis for the Annual Governance Statement to be included in the annual Statement of Accounts and the Corporate Governance Group comment as appropriate; and
  - (b) the changes to the Accounting Policies as highlighted in Appendix 3 are approved.

### **3 Reasons for Recommendation**

- 3.1 To demonstrate compliance with the principles of; the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*; the Accounting Code of Practice; and adherence to Business Rate Retention regulations; and to help readers and stakeholders engage with the Accounts

### **4 Supporting Information**

- 4.1 The Annual Governance Statement at Appendix 2 is unchanged in format from last year although some of the content surrounding, for example, Section 4, 'Significant Governance Issues' will inevitably alter as new risks and opportunities arise and the environment we operate in alters.
- 4.2 As a result of amendments to CIPFA's Accounting Code of Practice, Business Rate Retention Regulations and internal reviews the following accounting policies need adopting or amending (see Appendix 3):
- (a) Employee Benefits – as a consequence of the revisions to International Accounting Standards (IAS19) and post-retirement benefits this accounting policy has been revised. The impact on the accounts of this policy is not material;
  - (b) Collection Fund – as a consequence of the Business Rates retention scheme and their regulations, the accounting policy has been added to reflect the new accounting regime;
  - (c) Removal of notes – it is good practice to review and 'de-clutter' each year the notes that support the Financial Statements based upon both their relevance and levels of materiality. Consequently this year the notes on Trading Operations, Pooled Budgets and Agency Services have been removed. This has been discussed and agreed in principle with the Councils external auditors KPMG. It should be noted however that this does not preclude the inclusion, if appropriate, of such notes in the future.

### **5 Other Options Considered**

Not Applicable

### **6 Risk and Uncertainties**

- 6.1 Failure to adhere to professional accounting practice could lead to potential criticism from the Council's external auditors and inadequate Financial Statements.

### **7 Implications**

#### **7.1 Finance**

There are no direct financial implications to the report. There are no alterations to the accounting policies which might give rise to a material impact upon the financial position of the Council.



**7.2 Legal**

None

**7.3 Corporate Priorities**

Not applicable

**7.4 Other Implications**

None

<b>For more information contact:</b>	Name; Peter Linfield Service Manager (Finance and Commercial) 0115 914 8439 email <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	CIPFA Accounting Code of Practice
<b>List of appendices (if any):</b>	Appendix 1 – Principles of Good Governance Appendix 2 – Draft Annual Governance Statement 2013/14 Appendix 3 – Accounting Policy Changes

**PRINCIPALS OF GOOD GOVERNANCE****Background**

The CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy and Society of Local Authority Chief Executives) guidance draws upon 6 core principles for good governance with a number of supporting principles. These are:

- **Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area**
  - exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users
  - ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning
  - ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.
  
- **Members and officers working together to achieve a common purpose with clearly defined functions and roles**
  - ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function
  - ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard
  - ensuring relationships between the authority and the public are clear so that each knows what to expect of the other.
  
- **Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour**
  - ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance
  - ensuring that organisational values are put into practice and are effective.
  
- **Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**
  - being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny
  - having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs
  - ensuring that an effective risk management system is in place
  - using their legal powers to the full benefit of the citizens and communities in their area.

- **Developing the capacity and capability of members and officers to be effective**
  - making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles
  - developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group
  - encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.
  
- **Engaging with local people and other stakeholders to ensure robust public accountability**
  - exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships
  - taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning
  - making best use of human resources by taking an active and planned approach to meet responsibility to staff.

**DRAFT ANNUAL GOVERNANCE STATEMENT 2013/14**

**1. SCOPE AND PURPOSE**

**1.1 Scope of responsibility**

Rushcliffe Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Rushcliffe Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Rushcliffe Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions which includes arrangements for the management of risk.

Rushcliffe Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is on our website at <http://www.rushcliffe.gov.uk/> or can be obtained from Rushcliffe Borough Council, Civic Centre, Pavilion Road, West Bridgford, Nottingham, NG2 5FE. This statement explains how Rushcliffe Borough Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 and 2011, in relation to the publication of a statement on internal control.

**1.2 The purpose of the governance framework**

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and the activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Rushcliffe Borough Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Rushcliffe Borough Council for the year ended 31 March 2014 and up to the date of approval of the statement of accounts.

## **2 THE GOVERNANCE FRAMEWORK**

### **2.1 Vision and priorities**

Long term strategic planning has enabled Rushcliffe to address its immediate financial pressures, develop an initial financial strategy to 2018/19 and introduce its fifth Corporate Strategy covering the period 2012 to 2016. The three key themes for this strategy are:

- Supporting economic growth to ensure a sustainable, prosperous and thriving local economy;
- Maintaining and enhancing our residents' quality of life; and
- Transforming the Council to enable the delivery of efficient high quality services.

The integration of service and financial planning has continued through the budgets for both 2013/14 and 2014/15, and the financial strategy to 2018/19.

During 2013/14 the Council developed its approach to the financial pressures facing all public bodies through the development of a new Transformation Strategy replacing the Four Year Plan. This outlines how the Council will meet its financial challenges until 2018/19. The Transformation Strategy focuses upon three key elements income generation, service re-design and business cost reduction. It highlights the relationship between the Corporate Strategy, the Medium Term Financial Plan and the Transformation Strategy. As part of the service re-design process the council will be reviewing the services it provides to identify improved or alternate methods of delivery which will enable it to meet its financial targets without eroding the high quality of service for which Rushcliffe is known

Progress against previous priorities and actions, as laid down in previous service plans, has been reported to the Performance Management Board during the course of the year. All key tasks within the current service delivery plans have been linked directly to the Council's objectives.

### **2.2 Improvement and Efficiency**

As with other public bodies the Council faces unprecedented financial pressures. Its original efficiency requirement of £2.8m has increased to around £6m from 2011/12 to 2018/19. Much has been achieved with around £3.2m of savings over a 3 year period; however, there remains the need to continue to identify savings from the Transformation Strategy in order to meet financial pressures in the medium term. A combination of Member and management challenge has reduced a projected budget shortfall from £2.8m to £1.6m (until 2018/19). The following thematic areas summarise how the budget will be balanced in future years:-

- (a) Service Efficiencies – focusing on both the customer and looking at streamlining services;
- (b) Management Challenge – challenging base budgets each year;
- (c) Transformational Projects - both new projects and those identified via the 4 year plan, eg building control and garage partnerships
- (d) Thinking big reviews – for example the Leisure Strategy and office accommodation projects.

A comprehensive document setting out the Council's constitution exists which sets out the clearly defined structure for the Council's organisational arrangements based upon a cabinet executive model. In essence the different roles can be summarised as follows:

- Council decides upon certain policies and other specialist functions that cannot be delegated elsewhere including the setting of the council tax
- Cabinet is allocated authority by council to approve policies not reserved for consideration by Council, deliver policies and to take most significant executive decisions
- Cabinet works to a Forward Plan of forthcoming decisions for up to three months ahead
- The work of Cabinet is supported by four scrutiny groups
- Scrutiny groups develop their own work programme for the review of council policies in addition to scrutinising the work of the cabinet
- Separate committees exist for Development Control, Employment Appeals, Alcohol and Entertainments Licensing, Interviewing and Licensing.
- Delegation arrangements to officers are set out in detail within the Constitution
- A protocol defining the relationship between Members and Officers was adopted during 2008

The constitution also provides detailed guidance on standing orders, financial regulations and the conduct of meetings. In addition it also contains codes of conduct applying to members and officers as well as a protocol for councillor/officer relationships. The codes include reference to the need to declare any interests which may conflict with the individual's role at the Council and such registers for councillors and officer are maintained by the Executive Manager Corporate Governance and Operations and the Strategic Human Resources Manager respectively. The Council has in place a confidential reporting code (whistleblowing policy) and any referrals under the policy are investigated.

The Constitution as a whole is reviewed when necessary and appropriate. The last such review was undertaken in 2011/12. The Constitution as a whole

is reviewed when necessary and appropriate. The last significant review was undertaken in 2011/12; however a number of amendments have been made since then to accommodate legislative changes or to reflect changes to the Council's structure.

### **2.3 Policies, Procedures, Laws and Regulations**

The Council has three statutory officer roles: the Chief Executive, the Section 151 Officer and the Monitoring Officer. They are responsible for ensuring that the Council acts within the law and in accordance with established policies and procedures. The Section 151 Officer is specifically responsible for the proper discharge of financial arrangements and must advise the Council where any proposal might be unlawful or where expenditure is likely to exceed resources.

The Council's financial management arrangements should conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). During 2013/14, the Council's financial management arrangements complied in all respects with the governance requirements of the aforementioned statement, in particular:

- During 2013/14 the Executive Manager (Finance and Commercial) held the post of Chief Financial Officer. The postholder is a professionally qualified accountant with direct access to the Chief Executive, Leader of the Council and other Cabinet Members. The postholder also has direct access to the Corporate Governance Group and the Council's external auditors.
- The Chief Financial Officer has a line of professional accountability for all finance staff and for ensuring that the finance function is 'fit for purpose'. The Council has established robust arrangements to manage its finances, including a Medium Term Financial Strategy, annual budget process and compliance with CIPFA's Codes and Guidance on the Prudential Framework for Capital Finance, Treasury Management and the management of reserves.
- Internal audit services are provided to the Council by Baker Tilly (formerly RSM Tenon). The effectiveness of this service is monitored by the Corporate Governance Group.

Executive Managers are responsible for ensuring that legislation and policy relating to service delivery and health and safety are implemented in practice. Oversight of these arrangements is provided by the Executive Manager (Corporate Governance and Operations).

### **2.4 Risk Management**

The Council's risk management arrangements are regularly reviewed with a complete review being undertaken during 2013/14. The effectiveness of the overall risk management arrangements is monitored by the Corporate

Governance Group who, on 6 February 2014, approved the changes to the Risk Management Strategy. Pleasingly within the 2013/14 Annual Report by Internal Audit there have been enhancements to the existing framework resulting in an improvement in the direction of travel and a 'green' rating (giving substantial assurance).

## **2.5 Development and training needs**

The Council achieved Councillor Member Development Charter status in March 2011 and has a cross party Member Development Group to oversee development and delivery of Councillor learning and training. This Group meets on a quarterly basis.

Each Councillor is offered the opportunity to undertake an annual Personal Development Plan the results of which are used to inform the on-going Member Development Programme. Development needs are also identified directly by feedback from Councillors and in response to issues which may occur throughout the year.

To support new and returning Councillors a comprehensive induction programme is in place which runs after the local elections. The delivery of this is overseen by the cross party Member Development Group who evaluates its effectiveness upon its completion based on Councillor feedback.

The identification and delivery of appropriate training for officers is dealt with via the Learning and Development Plan which links to the annual performance development review (PDR) process.

## **2.6 Communication**

Three editions of Rushcliffe Reports – the Council's newsletter for residents – are printed and circulated to all households each year and these set out details of a number of key service changes, both in the past and in the future, and ask for customer feedback.

On-going customer satisfaction surveys were undertaken by several key customer facing services such as planning, revenues and benefits and customer services. The customer feedback received from these exercises is used to improve services to all customers. The Council also undertakes consultation to inform decisions relating to policy changes. Over the course of this year, additional consultation was undertaken on leisure provision in West Bridgford, the future uses of Bridgford Hall, and the Edwalton Community Governance Review (regarding parish status). A further review for the Shelford and Newton parish has been undertaken with a report due to June Cabinet.

## **2.7 Partnerships**

The Council has in place a scrutiny group that reviews significant partnerships with which the Council is involved. The Council has put in place strong governance arrangements around the major leisure services and car parking contracts. In addition the Cabinet Portfolio Holder also chairs quarterly



strategic board meetings with the two main leisure providers, Parkwood and Carillion.

### **3 REVIEW OF EFFECTIVENESS**

#### **3.1 Introduction**

Rushcliffe Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates and this review is considered by the Corporate Governance Group.

#### **3.2 The Council**

The Council approves and keeps under regular review all the strategic policies which it reserves for its own consideration, including:

- The Constitution
- The Corporate Strategy
- The Capital Programme and Revenue Budget
- The Housing Strategy
- The Local Development Framework

#### **3.3 The Cabinet**

The Cabinet carries out the executive functions of the Council as required by the legislation and the Council's constitution. It accordingly:

- Takes key decisions
- Takes other executive decisions
- Approves policies other than those reserved for Council
- Recommends to Council policies and budgetary decisions

#### **3.4 Corporate Governance Group**

The Corporate Governance Group is the group within the Council that is charged with Governance and has a number of responsibilities including:

- Overseeing financial governance arrangements
- Overseeing strategic risk management
- Scrutinising the Annual Governance Statement

- Scrutinising the Statement of Accounts prior to its agreement by full council
- Reviewing the plans and work of Internal Audit
- Receiving reports from external audit in relation to the audit arrangements

### **3.5 Performance Management Board**

The Performance Management Board reviews the performance of the Council against the approved targets. Other reports are taken to this group and during the last year the group has considered the equality and diversity plan and the local Home Improvement Agency performance.

In addition to the Performance Management Board the Council has two other scrutiny groups which were formed during 2007. The first, Place Shaping and Community Engagement looks at areas that affect the community like future changes to glass recycling and provision of car parking. The other group is Partnership Delivery which is tasked with looking at the effectiveness of current and future potential partnerships.

### **3.6 Executive Managers**

Executive Managers are responsible for ensuring proper standards of internal control within their service areas. On-going reviews are undertaken throughout the year. At the end of the financial year Executive Managers are required to confirm that they have reviewed the system of internal control and identify any areas where improvements are necessary.

### **3.7 Internal Audit**

Internal Audit is responsible for the review of the systems of internal control and for giving an opinion on both the corporate and service specific standards in place. The Council tendered during 2009/10 for a new 5 year audit contract which was awarded to RSM Tenon (now Baker Tilly). An Audit Strategy has been developed covering all activities of the Council at a level and frequency determined using a risk management methodology. The current Strategy now covers the period up to March 2016.

An annual audit plan governs each year's activity and at the completion of each audit, a report is produced for management with recommendations for improvement. Regular reports covering internal audit activities are submitted to the Corporate Governance Group for scrutiny.

A detailed annual review of the effectiveness of the Council's system of internal audit is undertaken every year and reported to the Corporate Governance Group. As mentioned at Section 2.4 the direction of travel has improved and in terms of governance, risk management and internal control substantial assurance has been given by Internal Audit.

### **3.8 External Audit**

The external auditors review the Council's arrangements for:

- Preparing accounts in compliance with statutory and other relevant requirements
- Ensuring the proper conduct of financial affairs and monitoring their adequacy and effectiveness in practice
- Managing performance to secure economy, efficiency and effectiveness in the use of resources

The auditors give an opinion on the Council's accounts, corporate governance and performance management arrangements. The Council takes appropriate action where improvements need to be made.

The provision of external audit is undertaken by KPMG.

## **4 SIGNIFICANT GOVERNANCE ISSUES**

### **4.1 Issues Identified and remedial action**

The Council continues to utilise partnership arrangements with other public bodies and private organisations to deliver services. The Council therefore remains committed to meeting the challenge of ensuring that the appropriate governance arrangements are in place for each of the major partnerships that the Council has entered or will enter.

Whilst the Council's external auditors have recognised improvements in the production of the Statement of Accounts they have also identified two key risks, which the Council are actively managing:

- (a) given the pension fund has undergone a triennial review, risks surrounding the accuracy of the estimate for pension liabilities; and
- (b) the impact of the new cash receipting system on the bank reconciliation process.

During 2014/15 the Council will also need to manage a number of changes arising from legislative changes such as the Localism and Local Government Finance Acts, and in particular challenges arising from welfare reform and the introduction of Universal Credit. Furthermore the Council has to address the issue of housing growth and the concerns of the planning inspector, with the Core Strategy being revisited in the coming year. The Cotgrave Masterplan is a significant project which demonstrates the Council's commitment to developing the community and provides affordable housing. Other challenges include the management of the leisure and accommodation project, and as the Council becomes increasingly innovative the management of alternative service delivery vehicles such as Streetwise (Social Enterprise); and greater collaborative arrangements including the provision of Garage services through Nottingham City Council; and Building Control Services with South Kesteven District Council. These opportunities will be managed in line with the Governance Framework outlined earlier in this report.

**5 STATEMENT OF THE CHIEF EXECUTIVE AND THE LEADER OF THE COUNCIL**

We have been advised of the implications of the result of the review of the effectiveness of the governance framework by the Corporate Governance Group. The arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed, with new actions planned, are outlined above.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed.....

Councillor J N Clarke (Leader)

Signed.....

A Graham (Chief Executive)

Date .....

Date .....

**Accounting Policy Changes**

**vii. Post-Employment Benefits**

The Local Government Pension Scheme (LGPS) is administered by Nottinghamshire County Council and is accounted for as a defined benefits scheme providing defined benefits to members (Retirement Lump Sums and Pensions) earned as employees working for the Council.

The liabilities of the pension scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – (i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projected earnings for current employees).

The assets of the pension fund attributed to the Council are included in the Balance Sheet at their fair value

- **Quoted Securities** - current bid price
- **Unquoted Securities** - current bid price
- **Utilised Securities** - Professional Estimate
- **Property** - Market Value

The change in the net pension's liability is analysed into six components:

- **Current Service Cost** – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the service for which the employees worked.
- **Past Service Cost** – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs.
- ~~**Interest Cost** – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.~~
- ~~**Expected Return on Assets** – the annual investment return on the fund assets attributable to the Council, based on an average of the expected long-term return – credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.~~

- ~~**Gains or Losses on Settlements and Curtailments**~~ — the result of actions to relieve the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees — debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
- ~~**Actuarial Gains and Losses**~~ — changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions — debited to the Pensions Reserve
- ~~**Contributions Paid to the Pension Fund**~~ — cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.
- **Net interest on the net defined benefit liability (asset)** ie net interest expense for the authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments
- **Re-measurements comprising**
  - The return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the Pension Reserve as Other Comprehensive Income and Expenditure;
  - Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- **Contributions Paid to the Pension Fund** – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash

paid to the pension fund and any amounts payable to the fund but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

## **New Policies**

### **xxiii. Collection Fund**

Billing authorities have to maintain a separate fund for the collection and distribution of amounts due in respect of council tax and non-domestic rates. The Council acts as an agent, collecting and distributing council tax and business rates income on behalf of itself and the major precepting authorities and central government.

From 1 April 2009 for both Billing and Precepting authorities and central government, the NNDR income included in their Comprehensive Income and Expenditure Statement (CIES) shall be the accrued income for the year. Any difference between the income included in the CIES and their demand or precept is taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement. As the collection of Council Tax is an agency agreement there is a debtor/creditor position between the billing Council and the major preceptors. As the billing Council, this Council's Cash Flow Statement includes in 'revenue activities' only its own share of the Council Tax collected.

From 1 April 2013 for billing and precepting authorities and central government, the NNDR income included in their CIES shall be the accrued income for the year. Any difference between the income included in the CIES and their estimate of share of income is taken to the Collection Fund Adjustment Account and included as an adjusting item in the Movement in Reserves Statement. As the collection of NNDR is an agency agreement there is a debtor/creditor position between the billing council and the major preceptor (governed by the Nottinghamshire Pool) and central government. As the billing Council, this Council's Cash Flow Statement includes in 'revenue activities' only its own share of the Council Tax collected.

### **xxiv. Removal of Notes**

The Council generally considers £1m to be a reasonable level in terms of what is material. There are 3 notes which have been excluded on the grounds of the items not being material both in value or political consideration. The items removed are:

- (a) Trading operations with regards to Bingham Market and Building Control (Gross expenditure for 2013/14 of £344,000);
- (b) Agency Services in relation to the Nottinghamshire Parking Partnership with Penalty Charge Notice income amounting to c£97,000 (2013/14); and
- (c) Pooled budgets concerning 'choice based lettings' with regards to Social Housing (gross expenditure in 2013/14 of c£107,000); and South Nottinghamshire Community Safety Partnership to address crime and disorder (gross expenditure in 2013/14 of c£33,000).



**Report of the Executive Manager - Operations and Corporate Governance**

**1. Summary**

- 1.1. This report sets out a proposed work programme for the next year. In determining the proposed work programme due regard has been given to matters usually reported to the Group and the timing of issues to ensure best fit within the Council's decision making process.
- 1.2. The table does not take into account any items that need to be considered by the Group as special items. These may occur, for example, through changes required to the Constitution or financial regulations, which have an impact on the internal controls of the Council.

**2. Recommendation**

- 2.1. It is RECOMMENDED that the Group agrees the work programme as set out in the table below.

**3. Reasons for Recommendation**

Date of Meeting	Item
19 June 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Internal Audit Annual Report 2013/14</li> <li>• Health and Safety Annual Report</li> <li>• Final Accounts Update 2013/14 - Annual Governance Statement and Accounting Policies</li> <li>• Fraud &amp; Irregularities Update</li> <li>• Work Programme</li> </ul>
4 September 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Statement of Accounts 2013/14</li> <li>• External Auditors Annual Governance Report 2013/14</li> <li>• Corporate Governance Annual Report 2013/14</li> <li>• Risk Management Update</li> <li>• Treasury Management Update</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>

Date of Meeting	Item
13 November 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Health and Safety Interim report</li> <li>• Annual Audit Letter</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>
29 January 2014	<ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2014/15</li> <li>• Treasury Management Update and Presentation</li> <li>• Risk Management Update</li> <li>• Revenue and Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>
26 March 2014	<ul style="list-style-type: none"> <li>• External Audit Plan 2014/15</li> <li>• Certification of Grants and Returns – Annual Report 2013/14</li> <li>• Internal Audit Progress Report 2014/15</li> <li>• Internal Audit Strategy 2015/16</li> <li>• Revenue &amp; Capital Budget Monitoring</li> <li>• Work Programme</li> </ul>

#### 4. Implications

##### 4.1. Finance

No direct financial implications arise from the proposed work programme.

##### 4.2. Legal

There are no direct legal implications arising from the proposed work programme.

##### 4.3. Corporate Priorities

Items included in the work programme assist the Council to meet its Corporate Priorities.

##### 4.4. Other Implications

There are no other implications.

<b>For more information contact:</b>	Name: Angela Goodman Member support Officer 0115 914 8 482 email <a href="mailto:agoodman@rushcliffe.gov.uk">agoodman@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	None
<b>List of appendices (if any):</b>	None