When telephoning, please ask for: Direct dial

Tracey Coop 0115 914 8511

Email

constitutionalservices@rushcliffe.gov.uk

Our reference: Your reference:

Date: Wednesda

Wednesday, 12 September 2018

To all Members of the Corporate Governance Group

**Dear Councillor** 

A Meeting of the Corporate Governance Group will be held on Thursday, 20 September 2018 at 7.00 pm in the Council Chamber Area B, Rushcliffe Arena, Rugby Road, West Bridgford to consider the following items of business.

Yours sincerely

Julian Crowle Monitoring Officer

#### **AGENDA**

- 1. Apologies for absence
- 2. Declarations of Interest
- 3. Minutes of the Meeting held on 24 July 2018 (Pages 1 8)
- 4. Annual Audit Letter (Pages 9 20)
- 5. Internal Audit Progress Report 2018/19 (Pages 21 30)
- 6. Revenue and Capital Budget Monitoring Quarter 1 2018/19 (Pages 31 42)
- 7. Work Programme (Pages 43 44)

The report of the Executive Manager – Finance and Corporate Services

#### Membership



Rushcliffe Community Contact Centre

Rectory Road West Bridgford Nottingham NG2 6BU

#### In person

Monday to Friday 8.30am - 5pm First Saturday of each month 9am - 1pm

By telephone Monday to Friday 8.30am - 5pm

Telephone: 0115 981 9911

Email:

customerservices @rushcliffe.gov.uk

www.rushcliffe.gov.uk

Postal address

Rushcliffe Borough Council Rushcliffe Arena Rugby Road West Bridgford Nottingham NG2 7YG



Chairman: Councillor K Beardsall Vice-Chairman: Councillor G Davidson

Councillors: A Brown, B Cooper, R Hetherington, N Lawrence, A MacInnes and

F Purdue-Horan

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**Toilets:** are located to the rear of the building near the lift and stairs to the first floor.

**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.

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Rushcliffe Borough Council is committed to being open and transparent in its decision making. As such, the Council will undertake audio recording of meetings which are open to the public, except where it is resolved that the public be excluded, as the information being discussed is confidential or otherwise exempt.



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Council
Rushcliffe Arena
Rugby Road
West Bridgford
Nottingham
NG2 7YG



#### Agenda Item 3



#### **MINUTES**

## OF THE MEETING OF THE CORPORATE GOVERNANCE GROUP

#### TUESDAY, 24 JULY 2018

Held at 7.00 pm in the Council Chamber Area B, Rushcliffe Arena, Rugby Road, West Bridgford

#### PRESENT:

Councillors K Beardsall (Chairman), G Davidson (Vice-Chairman), A Brown, N Clarke (substitute for F Purdue-Horan), B Cooper, J Greenwood, N Lawrence, A MacInnes and Mrs J Smith (substitute for R Hetherington)

#### **ALSO IN ATTENDANCE:**

A Bush Director KPMG

A Collston KPMG

C Williams Head of Internal Audit - RSM

**OFFICERS IN ATTENDANCE:** 

L Ashmore Service Manager - Transformation
M Elliott Constitutional Services Team Leader
P Linfield Executive Manager - Finance and

**Corporate Services** 

S Whittaker Financial Services Manager

J Wilkinson Safety and Risk Management

Advisor

#### APOLOGIES:

Councillors R Hetherington and F Purdue-Horan

#### 1 Declarations of Interest

There were no declarations of interest.

#### 2 Minutes of the Meeting held on 10 May 2018

The Minutes of the meeting held on 10 May, 2018 were approved as a correct record and signed by the Chairman.

#### 3 Corporate Governance Group Annual Report 2017/18

Members of the Group considered the Corporate Governance Group Annual Report 2017/18.

It was **RESOLVED** that the Corporate Governance Group Annual report be approved and submitted to Council for consideration.

#### 4 Health and Safety Annual Report 2017-18

The Safety and Risk Management Advisor presented the report of the Executive Manager - Transformation and Operations to provide a summary of the Council's occupational health and safety performance during the year 1 April 2017 to 31 March 2018. It was noted that the Annual Report was 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 that had taken place over the last year. The report also provided details on training programmes delivered, as well as provides numerical and statistical data and the proposed health and safety objectives for the year.

The Safety and Risk Management Advisor provided a presentation to highlight the main areas of the report. The presentation provided information on:

- the progress made in achieving goals, including:
  - reviewing the effectiveness of health and safety aspects at Rushcliffe Arena,
  - developing and evaluating the use of Lone working devices for the Council,
  - the Implementation of a new electronic accident form.
- Health and Safety training delivered to staff.
- the number of working days lost due to accidents.
- accidents involving members of the public.

Councillor Mrs Smith enquired whether the number of working days lost to accidents were due to long or short-term absences. The Safety and Risk Management Advisor advised that a great number of the days lost were due to a few long-term absences and provided information on the types of accidents and the number of working days lost that had contributed to the total number of working days lost. Councillor Davidson asked about the incidence rate for working days lost and how this was calculated. The Safety and Risk Management Advisor advised how the rate was calculated and advised that this calculation enabled direct comparisons to be made between years when the number of staff employed by the Council had reduced. Councillor Brown asked whether driver assessments were carried and out and was advised by the Safety and Risk Management Advisor that assessments were carried out for all employees who drove HGV or fleet vehicles. Members of the Group asked about the support offered to employees who were absent due to illness or injury to return to work. The Safety and Risk Management Advisor advised that where possible employees were encouraged to return to work and that this could be helped by the use of the fit note process by the GP which allowed employees to return to work early on a phased return and/or with adaptations to duties.

The Chairman asked about the provision of Health and Safety training for Councillors. The Safety and Risk Management Advisor advised that the personal safety training had been provided for Councillors during 2017, the Executive Manager – Finance and Corporate Services advised that Heath and Safety training could be included on the Member Development Plan or provided by e-learning opportunities. The Chairman also enquired whether COSHH training was provided as this information had not been provided in the

report. The Safety and Risk Management Advisor advised that this training was offered cyclically but did not happen each year as most of the staff to whom this was relevant to were employed by Streetwise.

The Chairman and members of the Group thanked the Safety and Risk Management Advisor for attending and for answering their questions.

It was **RESOLVED** that the report be noted.

#### 5 Annual Fraud Report

Mr Chris Williams, Head of Internal Audit at RSM, the Council's internal auditors attended the meeting to present the Annual Fraud Report. It had been resolved at its meeting on 10 May 2018 that an annual fraud report be brought to the July 2018 meeting of the Corporate Governance Group for approval (Minute No.45 2017/18). The purpose of this report was to provide an overview of general and specific fraud related issues that had arisen at the Council during 2017/18.

It was noted that in carrying out its functions and responsibilities Rushcliffe Borough Council was firmly committed to dealing with fraud or corruption and that it would deal equally with attempted and perpetrated fraud or corruption from inside or outside the Council. Mr Williams advised that the Council did not have a dedicated fraud prevention resource; however, it was the responsibility of managers as part of the internal control environment to identify fraud and if required, request RSM as the internal auditors to investigate any allegations of fraud. It was also noted that RSM in the course of their audits may also identify any fraud.

Mr Williams advised that the Council encouraged all individuals to raise any concerns that they had about the conduct of others within the Council via a whistleblowing policy which applied to all employees and those contractors working for the Council on Council premises, for example, agency staff. It was noted that there had been no whistleblowing concerns reported during 2017/18. It was noted that the National Fraud Initiative (NFI) was a data matching exercise that matched electronic data within and between public and private sector bodies to prevent and detect fraud. The officer's report provided information errors and fraud for Housing benefit awards, localised Council Tax support awards, taxi and alcohol licences, Council payroll records and Council Tax single person awards. It was noted that while no fraudulent activities had been detected there had been a number of errors found. The Executive Manager - Finance and Corporate Services advised that action was being taken to recover the housing benefit overpayments that had been made. Mr Williams advised that two allegations of fraud had been made during 2017/18 with subsequent Investigations being undertaken by management and for the one incident of fraud that had been identified members were reassured that control mechanisms had been improved to avoid any similar occurrence happening in the future.

Councillor Davidson asked whether the amounts of Council Tax single person discounts found to be erroneous were over or under payments. Mr Williams advised that the figures in the officer's report were net figures. The Chairman asked in the absence of dedicated staff resource for fraud detection what

processes were in place to enable suspected fraud to be reported and investigated. The Executive Manager advised that procedures were in place for the reporting and investigation of fraud. Members of the Group also asked several specific questions about the figures in the report.

The Chairman and members of the Group thanked Mr Williams for attending the meeting and for answering their questions.

It was **RESOLVED** that the report be noted.

#### 6 External Auditors Annual Governance Report 2017/18

The Executive Manager – Finance and Corporate Services submitted a report requesting that the Corporate Governance Group received the report to those Charged with Governance and determined what comments, if any, should be referred to Council along with the Statement of Accounts. It was noted that the Council had continued to maintain a good quality Statement of Accounts and supporting working papers and that no significant issues had been identified during the audit.

The Executive Manager advised that as part of the final accounts process KPMG as the Council's appointed auditor, provided a detailed report on the conduct of the audit of the final accounts alongside representations on specific matters such as the Council's financial standing and whether the transactions with the accounts were legal and unaffected by fraud. The Report to those Charged with Governance, which covered these issues was attached as an appendix to the officer's report. It was noted that over the past few years significant improvements had been made to the year-end closedown process resulting in both a good quality Statement of Accounts and supporting working papers. This approach had helped the Council meet the new statutory deadline with the financial statements now having to be made available by 31 May and finalised for publication by the 31 July. The officer's report confirmed the improvement has been maintained which had assisted with a speedier closedown process leading to more time to quality assure documents and making the audit process more efficient. The Executive Manager advised that KPMG's Annual Governance Report 2017/18 confirmed an unqualified audit opinion would be issued along with a positive value for money conclusion.

The Executive Manager provided members of the committee with an overview of the Statement of Accounts that was attached as an appendix at agenda item 7 of the committee's agenda pack. Councillor Lawrence asked for a breakdown of the amount of income received from Government grants. The Executive Manager advised that this source of income was rapidly disappearing and that 47% of money received from Government grants was for the payment of housing benefit payments that the Council administered. Councillor Lawrence also asked about the "unusable reserves" that were referred to in the report. The Executive Manager provided information on these noting that they were in effect notional and accounting figures only. Councillor Clarke enquired how much of the Council's income was controllable and non-controllable. The Executive Manager advised that it was very hard to differentiate between controllable and non-controllable, as there were so many variables involved. Councillor MacInnes asked about the decline in income from investment properties and was advised by the Executive Manager that this was due to the

loss of income from tenants in the former Civic Centre building. The Chairman asked how often the Council's investment portfolio was reviewed and refreshed. The Executive Manager advised that officers worked with Arlingclose, who advised the Council on Treasury Management to regularly review where investments were made.

Mr Andrew Bush and Mr Alistair Collston of KPMG, the Council's external auditors, presented their Annual Governance Report 2017/18, which had been circulated prior to the meeting, and attached as an appendix to the officer's report, which provided headline findings and information. Mr Bush thanked the Executive Manager and the finance team for their support throughout the audit process.

The Chairman asked about the Council's Asset Investment Strategy which included the loan to Nottinghamshire County Cricket Club and the risks involved. Mr Bush advised that risk levels varied across all investments but that the risk that the Council was exposed to was at an acceptable level, he also assured the committee that KPMG, as the Council's external auditors were fully satisfied with the governance arrangements for managing the Cricket Club loan. The Chairman also asked whether it was possible to have a more detailed breakdown on the specific risks linked to each individual investment property. The Executive Manager advised that information on this had been provided at previous meetings of the Corporate Governance Group and that while risk varied between investments, reassured the committee that all risk had been properly and diligently assessed. The Chairman asked whether the risk for each investment could be shown on a scale of risk. Mr Bush advised that risk in this context was either significant or not, and as such could not be broken down further.

The Chairman and members of the committee thanked Mr Bush and Mr Collston for their excellent work in preparing the Annual Governance Statement and for attending the meeting to answer their questions.

It was **RESOLVED** that the External Auditor's Report to those Charged with Governance 2017/18 be supported.

#### 7 Statement of Accounts 2017/18

The Executive Manager – Finance and Corporate Services submitted a report seeking approval for the Statement of Accounts for 2017/18 and for the Draft Management Representation letter to be submitted to Full Council for approval. The Statement of Accounts for 2017/18 and for the Draft Management Representation letter were attached as appendices to the officer's report.

#### It was **RESOLVED** that:

- a) the Statement of Accounts for 2017/18 be supported and referred to Full Council for approval.
- b) the Draft Management Representation letter, be approved for referral to Full Council.

#### 8 Treasury Management Outturn 2017/18

The Executive Manager – Finance and Corporate Services and the Financial Services Manager presented a report to summarise the transactions undertaken during the 2017/18 financial year as part of the Treasury Management function. The report also provided information on the Council's commercial investment activity with regard to the new CIPFA Code ensuring there was both transparency and scrutiny in terms of both treasury and asset investment decision making. The Executive Manager – Finance and Corporate Services advised that the Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2017/18. It was noted that the report met the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Finance in Local Authorities (the Prudential Code).

The Financial Services Manager outlined the key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year. The Financial Services Manager provided information on the Council's debt and investment position, noting that the investments made in the CCLA Property Fund and with Newcastle City Council were delivering significant returns in a challenging investment market. Councillor Clarke asked why there had been an underspend for the Council's Capital Programme. The Executive Manager – Finance and Corporate Services advised that all the money allocated for asset investment had been spent. It was noted that the underspend related to the requirement for the reallocation of unspent growth deal funding to support other projects to be approved by the LEP as the money had originally been given to the Council by the LEP for specific projects which were either no longer required (and potential transfer to other projects) or programme slippage.

The Executive Manager advised that Government and CIPFA had recently issued new guidance on Treasury Management activity, which particularly focused on the role of longer-term investments specifically held to make a commercial return and noted that the Council's Asset Investment Strategy fell within this definition. The Executive Manager outlined the work of the Asset Investment Group's including current investments and its future plans. The Executive Manager advised that the Council's current property portfolio had a good spread of risk but noted that no investment was totally risk free. The Executive Manager also advised that moving forward the Asset Investment Group would be looking to take a more varied approach to investments and not just looking at property investment opportunities.

Councillor Mrs Smith asked about the 99-year lease on the Finch Close property and whether this would be written down annually. The Service Manager – Transformation advised that the property would be sold before the lease end. Councillor MacInnes enquired about the provision of training for councillors in commercialism to enable them to increase their understanding and to scrutinise effectively the Council's commercial investments. The Executive Manager advised that this would be included in the Treasury Management training (to be provided by Arlingclose) scheduled for November 2018. The Chairman noted his disappointment at the level of returns delivered by many of the Council's investments. The Executive Manager advised that the

information on returns included in the report provided a snapshot only of performance and noted that when making investments the primary concerns were security and liquidity rather than yield. The Executive Manager also noted the importance of liquidity so that assets could be accessed immediately if a good investment opportunity arose which would allow investment to be made with current assets rather than by using borrowing.

It was **RESOLVED** that the Treasury Management Outturn 2017/18 report be approved.

#### 9 Work Programme

The committee considered its Work Programme.

It was **RESOLVED** that the Work Programme, as detailed below be approved.

#### 20 September 2018

- Internal Audit Progress Report 2018/19
- Revenue and Capital Budget Monitoring Quarter 1 2018/19
- Annual Audit Letter
- Work Programme

#### 4 December 2018

- Internal Audit Progress Report Quarter 2 2018/19
- Health and Safety Interim Report
- Treasury Management 2018/19 Six Monthly Update
- Risk Management Progress Report
- Revenue and Capital Budget Monitoring Quarter 2 2018/18
- Work Programme

#### **7 February 2019**

- Internal Audit Progress Report Quarter 3 2018/19
- Treasury Management Strategy 2019/20
- Revenue and Capital Budget Monitoring Quarter 3 2018/19
- Certification of Grants and Return Annual Report 2017/18
- Work Programme

#### 9 May 2019

- External Audit Plan 2019/20
- Internal Audit Progress Report 2018/19
- Internal Audit Annual Report 2018/19
- Internal Audit Strategy 2018 2021
- IT Progress Report
- Risk Management Progress Report
- Annual Governance Statement
- Work Programme

CHAIRMAN



#### **Corporate Governance Group**

#### 20 September 2018

#### **Annual Audit Letter 2017/18**

#### Report of the Executive Manager - Finance and Corporate Services

#### 1. Summary

- 1.1. The attached letter from KPMG summarises progress on the audit process for the 2017/18 financial year. It reiterates the key conclusions of the Auditors' Report on the 2017/18 Accounts and the Report to those Charged with Governance, both of which were considered by the Corporate Governance Group on 24 July 2018.
- 1.2. No actions are required in relation to the report. The report is positive given no major concerns have been raised.

#### 2. Recommendations

2.1. It is recommended that the Corporate Governance Group note the receipt of the Annual Audit Letter.

#### 3. Reasons for Recommendation

3.1 To ensure that due regard has been given to issues and concerns raised by the Council's external auditors.

#### 4. Supporting Information

4.1. The Annual Audit Letter for 2017/19 is attached at **Appendix A**. Pleasingly there are no significant issues that have arisen during the 2017/18 financial year.

#### 5. Risk and Uncertainties

5.1. There are no issues arising from this report.

#### 6. Implications

#### 6.1 Finance

Audit costs are covered by existing budget provision.

#### 6.2 **Legal**

None

#### 6.3 Equalities Implications

None

#### 6.4 Other Implications

None

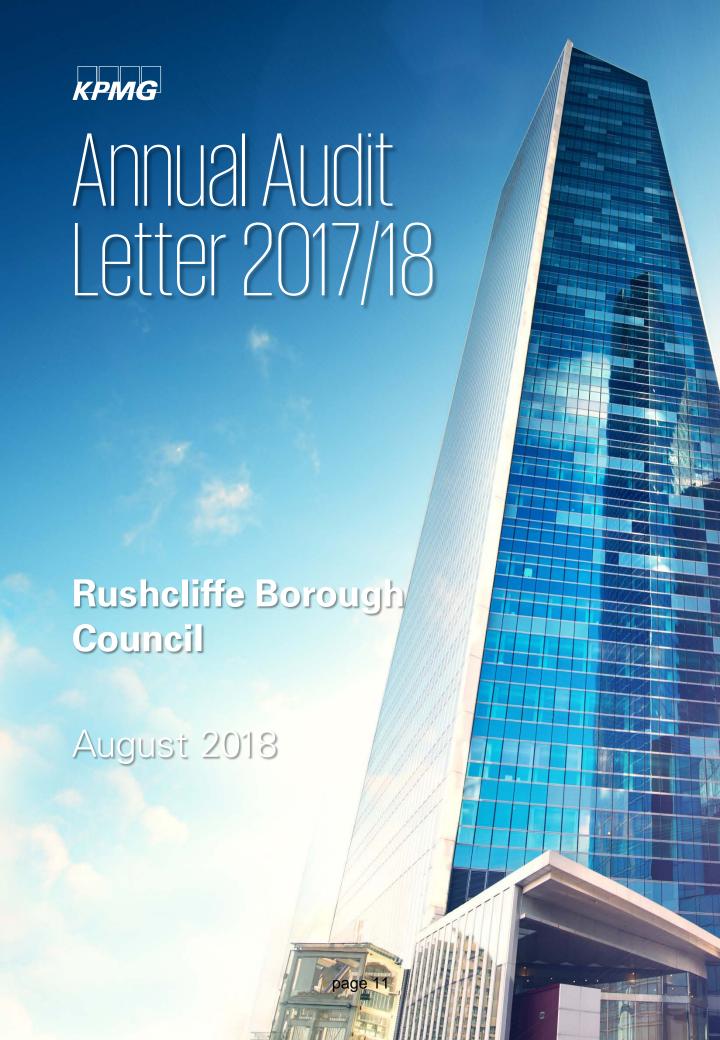
#### 6.5 Corporate Priorities

External audit exists to provide the public, members and other stakeholders that the Council is conducting its affairs in an efficient and effective manner.

#### 7. Recommendation

It is RECOMMENDED that the Corporate Governance Group note the receipt of the Annual Audit Letter.

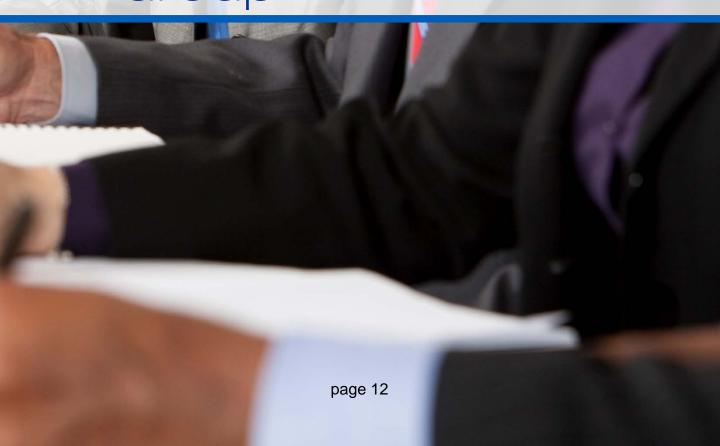
For more information contact:	Peter Linfield Executive Manager - Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk None			
Background papers available for inspection	None			
List of Appendices	Appendix A – KPMG Annual Audit Letter 2017/18			





#### **Section one**

# Summary for Corporate Governance Group



#### **Section one:**

## Summary for Corporate Governance Group

This Annual Audit Letter summarises the outcome from our audit work at Rushcliffe Borough Council ("the Authority") in relation to the 2017-18 audit year.

Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.

#### **Audit opinion**

We issued an unqualified opinion on the Authority's financial statements on 31 July 2018. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year. The financial statements also include the consolidated financial statements for Authority's Group, which consists of the Authority itself and Streetwise Environmental Limited.

#### Financial statements audit

Our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole. Materiality for the Authority's accounts was set at £0.6 million which equates to around 1.5 percent of gross expenditure. We design our procedures to detect errors in specific accounts at a lower level of precision.

We report to the Corporate Governance Group any misstatements of lesser amounts, other than those that are "clearly trivial", to the extent that these are identified by our audit work. In the context of the Authority, an individual difference is considered to be clearly trivial if it is less than £0.03million for the Authority.

We have identified no audit adjustments

Our audit work was designed to specifically address the following significant risks:

- Management Override of Controls Auditing standards require us to consider this audit risk for all entities Management is typically in a powerful position to perpetrate fraud owing to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Our audit methodology incorporates the risk of management override as a default significant risk. We did not identify any issues in response to this risk;
- Valuation of PPE The Code requires that where assets are subject to revaluation, their year end carrying value should reflect the appropriate fair value at that date. The Authority has adopted a rolling revaluation model which sees all land and buildings revalued over a five year cycle. As a result of this, however, individual assets may not be revalued for four years. This creates a risk that the carrying value of those assets not revalued in year differs materially from the year end fair value. In addition, the Authority made two material investment property acquisitions in year. We did not identify any issues in response to this risk; and
- Pensions Liabilities The net pension liability represents a material element of the Authority's balance sheet. The valuation of the Local Government Pension Scheme relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Authority's overall valuation. There is a risk that the assumptions and methodology used in the valuation of the Authority's pension obligation are not reasonable. This could have a material impact to net pension liability accounted for in the financial statements. The Council also made a pensions contribution prepayment in April 2018 to reduce the pension deficit. There are specific complex accounting requirements related to this transaction. We did not identify any issues in response to this risk.

#### Other information accompanying the financial statements

Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements to consider its material consistency with the audited accounts. This year we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding and did not identify any issues.



#### **Section one:**

# Summary for Corporate Governance Group (cont.)

#### Whole of Government Accounts

The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review your pack in detail as the Authority falls below the threshold where an audit is required. As required by the guidance we have confirmed this with the National Audit Office.

#### Value for Money conclusion

We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2017-18 on 31 July 2018. This means we are satisfied that during the year the Authority had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources.

To arrive at our conclusion we looked at the Authority's arrangements to make informed decision making, sustainable resource deployment and working with partners and third parties.

#### Value for Money risk areas

We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.

Our work identified the following significant matters:

- Delivery of financial and savings plans The Authority continued to face similar financial pressures and uncertainties to those experienced by others in the local government sector. For 2017/18, the Authority set a balanced budget which was achieved. The Authority developed a transformation strategy covering the five years up to 2022/23, which will ensure that the Authority is financially viable going forward, however, there is still a £0.29m shortfall in this strategy that still needs to be identified. We did not identify any issues in response to this risk; and
- Management of the Asset Investment Strategy Fund The Authority has a £20m Investment Fund, which made a number of material investments in the financial year. As part of our risk based work, we reviewed the governance arrangements in place around the purchase of these investment properties. We did not identify any issues in response to this risk.

#### **High priority recommendations**

We raised no high priority recommendations as a result of our 2017-18 work



#### **Section one:**

# Summary for Corporate Governance Group (cont.)

#### Certificate

We issued our certificate on 7 August 2018. The certificate confirms that we have concluded the audit for 2017-18 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.

#### **Audit fee**

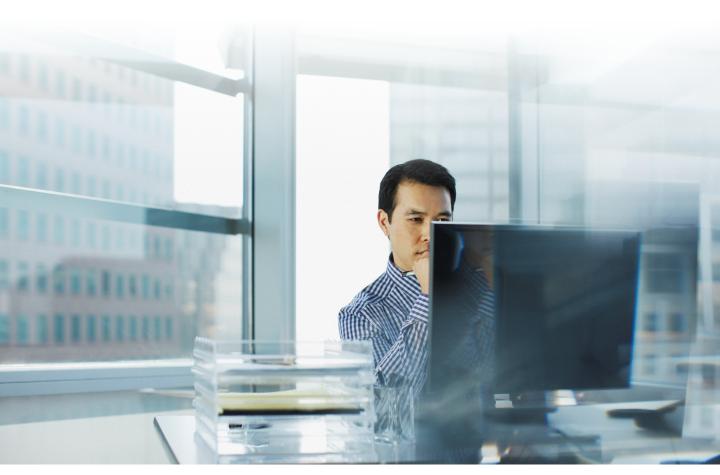
Our fee for 2017-18 was £41,288, excluding VAT (2017: £46,105 (including additional fees of £4,817). We are also planning on raising an additional overrun fee for 17/18 in respect of additional work performed over the valuation. Further detail is contained in Appendix 3.

#### **Exercising of audit powers**

We have a duty to consider whether to issue a report in the public interest about something we believe the Authority should consider, or if the public should know about.

We have not identified any matters that would require us to issue a public interest report.

In addition, we have not had to exercise any other audit powers under the Local Audit & Accountability Act 2014.





# Appendices



#### Appendix 1:

# High risk recommendations

This appendix summarises the high risk recommendations raised as a result of our audit, as well as the status of recommendations raised in the previous year.

High risk recommendations are defined as those issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.

Details of lower risk recommendations can be found in our ISA260 Report 2017-18

#### **High risk recommendations**

We have not raised any high risk recommendations in 2017/18

#### Follow up of previous recommendations

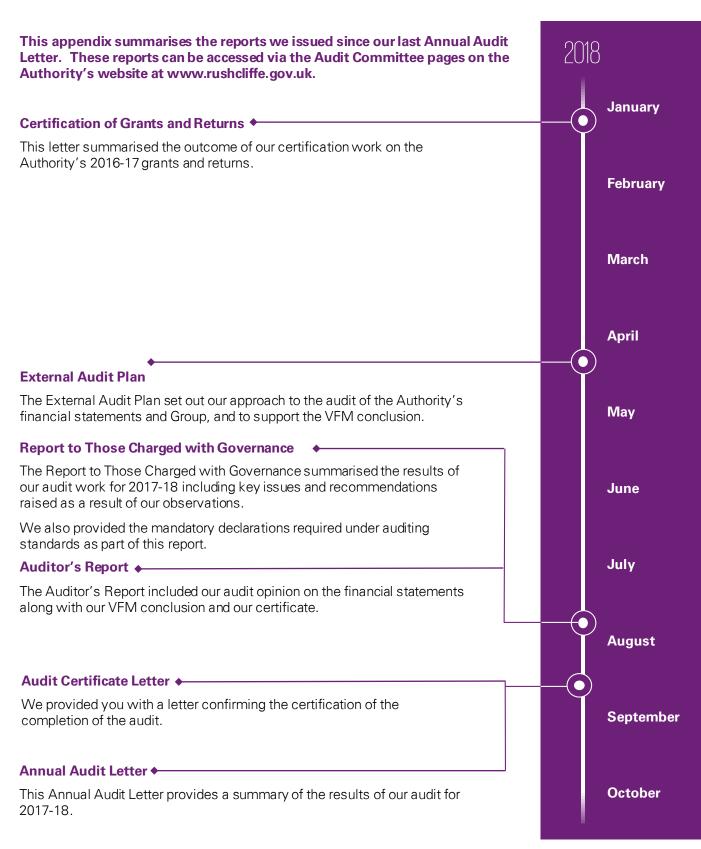
As part of our audit work we followed up on the Authority's progress against previous audit recommendations. We are pleased to report that the Authority has taken appropriate action to address the issues that we have previously highlighted, implementing both the recommendations that were raised in 2016/17.





#### Appendix 2:

# Summary of reports issued





#### **Appendix 1:**

## Audit fees

#### This appendix provides information on our final fees for the 2017-18 audit.

#### **External audit**

Our scale fee for the 2017-18 audit of the Authority was £41,288, which is in line with the planned fee. We are planning on raising an additional fee to cover the costs of performing additional work to address the valuation risk identified.

#### Certification of grants and returns

Under our terms of engagement with Public Sector Audit Appointments we undertake prescribed work in order to certify the Authority's housing benefit grant claim. This certification work is still ongoing. The planned fee for this work is £6,898 and the final fee will be confirmed through our reporting on the outcome of that work in January 2019.

#### Other services

We did not charge any additional fees for other services.





The key contacts in relation to our audit are:

#### **Andrew Bush**

Director

T: +44 (0) 7885 317494 E: andrew.bush@kpmg.co.uk

#### Alasdair Colston

Manager

T: +44 (0) 7787 141516 E: alasdair.colston@kpmg.co.uk

#### kpmg.com/uk









This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. We draw your attention to the Statement of Responsibilities of auditors and audited bodies, which is available on Public Sector Audit Appointment's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public 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.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact [...], the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers, by email to Andrew.Sayers@kpmg.co.uk. After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

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#### **Corporate Governance Group**

#### 20 September 2018

#### **Internal Audit Progress Report 2018/19**

#### Report of the Executive Manager – Finance and Corporate Services

#### 1. Purpose of the Report

1.1 The attached report has been prepared by the Council's internal auditors RSM. It is the first report for the financial year 2018/19 and shows the current position on the audit programme, along with any significant recommendations with regards to the audits completed during this period.

#### 2. Recommendation

It is RECOMMENDED that the Corporate Governance Group notes the first progress report for 2018/19 (**Appendix A**) from the Council's Internal Auditor.

#### 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 Plan for 2018/19 includes 15 planned reviews (an additional review of Business Continuity was added after the plan for 2018/19 was finalised). Of these reviews 31% have now been completed. The attached report highlights the completion and issuing of five reports since April 2018: Risk Management, Business Continuity, General Data Protection Regulations, Council Tax and Asset Investment.
- 4.2 All assignments have received a positive assurance with no high or medium risk recommendations. Mitigating action has been agreed by management for all recommendations.

#### 5. Risk and Uncertainties

5.1 If recommendations are not acted upon there is a possibility that internal controls are weakened and the risk materialises.

#### 6. Implications

#### 6.1 Financial Implications

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.

#### 6.2 Legal Implications

None.

#### 6.3 Equalities Implications

None.

#### 6.4 Other Implications

None.

#### 7. Link to Corporate Priorities

Not applicable.

#### 8. Recommendation

It is RECOMMENDED that the Corporate Governance Group notes the first progress report for 2018/19 (**Appendix A**) from the Council's Internal Auditor.

For more information contact:	Peter Linfield Executive Manager – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	
List of appendices (if any):	<b>Appendix A</b> – Internal Audit Progress Report 2018/19

#### RUSHCLIFFE BOROUGH COUNCIL

#### **Internal Audit Progress Report**

**Corporate Governance Group** 

20 September 2018

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

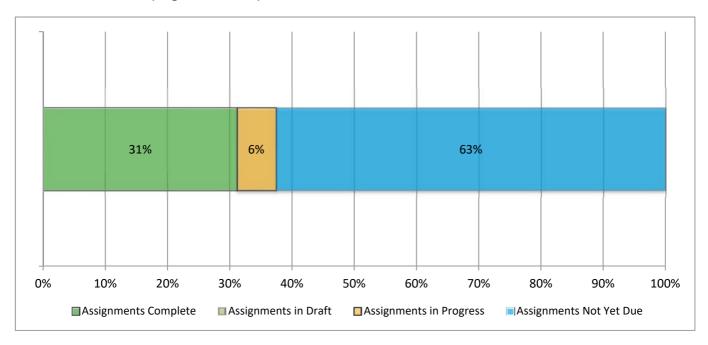


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2	Reports considered at this Corporate Governance group	. 3
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#### 1 INTRODUCTION

The internal audit plan for 2018/19 was approved by the Corporate Governance Group on 10 May 2018. Below provides a summary update on progress against that plan and summarises the results of our work to date. Please see chart below for current progress with the plan.



# 2 REPORTS CONSIDERED AT THIS CORPORATE GOVERNANCE GROUP

This table informs of the audit assignments that have been completed and the impacts of those findings since the last Corporate Governance Group held. The Executive Summary and Key Findings of the assignments below are attached to this progress report.

Assignments	Status	Opinion issued	Actions ag		greed	
			Н	M	L	
Risk Management (1.18/19)	Final	Patients Substitute Su	0	0	0	
Business Continuity (2.18/19)	Final	by Profit Property Substitute Sub	0	0	1	
General Data Protection Regulations (GDPR) Governance – Post Implementation Review (3.18/19)	Final	Advisory	Seven management actions to consider – see findings attached			
Council Tax (4.18/19)	Final	No. 1 Print Painting Substitute S	0	0	3	
Asset Investment (5.18/19)	Final	Advisory	0	0	1	

#### 2.1 Impact of findings to date



#### **Risk Management**

Conclusion: Substantial Assurance Impact on Annual Opinion: Positive

Following completion of this audit, we did not consider it necessary to raise any management

actions.



#### **Business Continuity**

Conclusion: Substantial Assurance Impact on Annual Opinion: Positive

As a result of testing, one low priority finding was identified. Management action was agreed in

respect of this finding.



#### General Data Protection Regulations (GDPR) Governance - Post Implementation Review

Conclusion: Advisory Review Impact on Annual Opinion: n/a

The key findings and observations from this advisory review are detailed in the Executive Summary and Action Plan attached to this report.



#### **Council Tax**

Conclusion: Substantial Assurance Impact on Annual Opinion: Positive

As a result of testing, three low priority findings were identified. Management actions were agreed in respect of these findings.



#### **Asset Investment**

Conclusion: Advisory Review Impact on Annual Opinion: n/a

As a result of testing, one low priority finding was identified. Management action was agreed in respect of this finding.

### 3 LOOKING AHEAD

Assignment area	Audit Timing	Status	Target Corporate Governance Group meeting
NNDR	13 August 2018	In Progress	September 2018
IT Strategy Review	19 September 2018	Not started	December 2018
Payroll	1 October 2018	Not started	December 2018
Income and Debtors	8 October 2018	Not started	December 2018
Markets	8 October 2018	Not started	December 2018
Budgetary Control and Setting	29 October 2018	Not started	December 2018
Health and Safety	12 November 2018	Not started	December 2018
Contract Management	12 November 2018	Not started	Tbc
Community Facilities	26 November 2018	Not started	Tbc
Safeguarding	28 January 2019	Not started	Tbc
Follow Up	28 January 2019	Not started	Tbc

#### 4 OTHER MATTERS

#### 4.1 Changes to the audit plan

At the request of management an additional review of the Council's Business Continuity arrangements has been included in the audit plan. This review has been completed and is being reported as part of this progress report.

#### 4.2 Quality Assurance and Continual Improvement

To ensure that RSM remains compliant with the PSIAS framework we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of: Ross Wood (Manager, Quality Assurance Department) with support from other team members across the Department. All reports are reviewed by James Farmbrough as the Head of the Quality Assurance Department.

This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

#### 4.3 Post Assignment Surveys

We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attached a brief survey for the client lead to complete.

We would like to give you the opportunity to consider how frequently you receive these feedback requests; and whether the current format works. Options available are:

- After each product (current option);
- Monthly / quarterly / annual feedback request; and
- Executive lead only, or executive lead and key team members.

#### FOR FURTHER INFORMATION CONTACT

Chris Williams, Head of Internal Audit

chris.williams@rsmuk.com

#### Address:

RSM Risk Assurance Services LLP Suite A, 7th Floor City Gate East Tollhouse Hill Nottingham NG1 5FS

Phone: 01159 644450 Mobile: 07753 584993

#### rsmuk.com

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 <a href="http://www.icaew.com/en/members/regulations-standards-and-guidance">http://www.icaew.com/en/members/regulations-standards-and-guidance</a>.

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. Actions for improvements should be assessed by you for their full impact. 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.

Our report is prepared solely for the confidential use of Rushcliffe Borough Council, and solely for the purposes set out herein. 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 RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance 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 you 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.

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



#### **Corporate Governance Group**

#### 20 September 2018

Revenue and Capital Budget Monitoring 2018/19 - Update

#### Report of the Executive Manager – Finance and Corporate Services

#### 1. Purpose of report

- 1.1. This report presents the budget position for revenue and capital as at 31 July 2018 along with the appropriate recommendations for referral to Cabinet. Given the current financial climate, it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to maintain a robust financial position.
- 1.2. Overall, the financial position is relatively stable with revenue efficiencies and additional grant income of £98k offset by a slightly worse than anticipated business rates position of £161k. The net position of £63k represents a 0.6% variation against the net expenditure budget, in essence a broadly balanced budget position. Positively, £1.19m is expected to be transferred to reserves, so the Council can meet the significant financial challenges and risks going forward.
- 1.3. The capital programme shows a planned underspend of £10.237m due to reasons such as a 'slow down' in asset investment (with there being much property market risk) and awaiting the position on the Depot project being finalised.

#### 2. Recommendation

- 2.1 It is RECOMMENDED that the Corporate Governance Group forward the report for Cabinet approval noting:
  - a) the projected revenue position for the year with a minor 0.6% variation (£63k) in the revenue position (due to the expected business rates position); and
  - b) the capital underspend of £10.237m as a result of capital scheme rephasing and projected savings.

#### 3. Reasons for Recommendation

3.1. To demonstrate good governance in terms of scrutinising the Council's ongoing financial position and compliance with Council Financial Regulations.

#### 4. Supporting Evidence

#### Revenue Monitoring

4.1 The revenue monitoring statement by service area is attached at **Appendix A** with detailed variance analysis as at 31 July 2018 attached at **Appendix B**. This shows projected net efficiency savings for the year to date of £83k and page 31

additional funding of £15k in Individual Elector Registration (IER) grant, more than offset by the reduction in the collection fund surplus against the budgeted position (£161k) due to business rates variation. The overall £63k variation represents 0.6% against the net expenditure budget and we currently anticipate £1.19m to be transferred to reserves to meet in particular business rates risk going forward (see paragraph 5.3). This position is likely to change throughout the remainder of the year as managers continue to drive cost savings, and raise income, against existing budgets.

- 4.2 **Appendix A** includes a Minimum Revenue Provision (MRP) of £1m. This is a provision that the Council is required to make each year to cover the internal borrowing costs for the Arena which will be funded by the New Homes Bonus.
- 4.3 As documented at **Appendix B**, the financial position to date reflects a number of positive variances totalling £378k including additional income from planning applications, the Garden Waste Scheme, salary savings and the additional recovery of Housing Benefit Overpayments. There are several adverse variances totalling £363k including Planning public inquiries, the rising costs of diesel, and an increase in the Streetwise Contract (mainly due to flytipping), and the slowing of asset investments as the Council continues to review its position in light of a volatile property market.

#### Capital Monitoring

4.4 The updated Capital Programme monitoring statement as at 31 July 2018 is attached at **Appendix C.** This provides further details about the progress of the schemes, any necessary re-phasing and highlights savings of £10.237m A summary of the projected outturn and funding position is shown in the table below:

CAPITAL PROGRAMME MONITORING - JULY 2018						
EXPENDITURE SUMMARY	Current Budget £000	Projected Actual £000	Projected Variance £000			
Transformation	9,387	6,552	(2,835)			
Neighbourhoods	2,936	2,950	14			
Communities	764	749	(15)			
Finance & Corporate Services Contingency	11,271 87	3,870 87	(7,401)			
	24,445	14,208	(10,237)			

FINANCING ANALYSIS			
Capital Receipts Government Grants	(14,079) (1,018)	(8,007) (1,018)	6,072
Other Grants/Contributions	(1,719)	(1,754)	(35)
Use of Reserves Internal Borrowing	(600) (7,030) <b>(24,445)</b>	(600) (2,829) <b>(14,208)</b>	4,201 <b>10,237</b>
NET EXPENDITURE	-	-	-

4.5 The original Capital Programme of £11.91m has been supplemented by a net brought forward and in-year adjustments of £12.55m giving a revised total of £24.45m. The net efficiency position of £10.237m is due to some slippage of the Cotgrave Multi-Service Centre (MSC) into 2019/20, a delay in the outcome of the Depot relocation project (a report is due to be presented at Cabinet, likely to be in October), and a slow down with regards to Asset Investments. This has a corresponding impact on the funding required during the year.

#### 4.6 **Conclusion**

The overall financial position for both revenue and capital is currently positive. It should be noted that opportunities and challenges can arise during the year which may impact on the projected year-end position. There remain external financial pressures from developing issues such as business rates retention, the fair funding review, and continued uncertainty surrounding BREXIT. Against such a background, it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from changing income streams and maintains progress against its Transformation Strategy.

#### 5 Risk and Uncertainties

- 5.1 Failure to comply with Financial Regulations in terms of reporting on both revenue and capital budgets could result in criticism from stakeholders, including both Councillors and the Council's external auditors.
- 5.2 Areas such as income can be volatile responding to external pressures such as the general economic climate. For example, planning income is variable according to the number and size of planning applications received dependent on factors such as business and housing growth..
- 5.3 Business rates is subject to specific risk given the volatile nature of the taxbase with a small number of properties accounting for a disproportionate amount of tax revenue, notably in Rushcliffe Ratcliffe-on-Soar power station. Furthermore, changes in central government policy influences business rates received and their timing, for example policy changes on small business rates relief.
- 5.4 The Council needs to be properly insulated against such risks hence the need to ensure it has a sufficient level of reserves, as well as having the ability to use such reserves to support projects where there is 'upside risk'.

#### 6 **Implications**

#### 6.1 Financial Implications

Financial implications are covered in the body of the report.

#### 6.2 Legal Implications

None

#### 6.3 Equalities Implications

None

#### 6.4 Other Implications

None

#### 6.5 Link to Corporate Priorities

Changes to the budget enable the Council to achieve its corporate priorities.

#### 7. Recommendation

- 7.1 It is RECOMMENDED that the Corporate Governance Group forward the report for Cabinet approval noting:
  - a) the projected revenue position for the year with a minor 0.6% overspend (£63k) in the revenue position (due to business rates variation); and
  - b) the capital underspend of £10.237m as a result of capital scheme rephasing and projected savings.

For more information contact:	Peter Linfield Executive Manager – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 8 March 2018 – 2018-19 Budget and Financial Strategy Cabinet 12 June 2018 – Revenue and Capital Budget Monitoring Outturn 2017-18
List of appendices (if any):	Appendix A – Revenue Outturn Position 2018/19 – July 2018 Appendix B – Revenue Variance Explanations Appendix C – Capital Programme 2018/19 – July 2018 Position

#### Appendix A

#### Revenue Outturn Position 2018/19 – July 2018

	Period 4			
	Original Budget £'000	Revised Budget £'000	Projected Actual £'000	Variance £'000
Communities	1,103	1,306	1,261	-45
Finance & Corporate Services	3,470	3,491	3,404	-87
Neighbourhoods	4,611	4,673	4,617	-56
Transformation	2,502	2,738	2,843	105
Sub Total	11,686	12,208	12,125	-83
Capital Accounting Reversals	-2,234	-2,234	-2,234	0
Minimum Revenue Provision	1,000	1,000	1,000	0
Total Net Service Expenditure	10,452	10,974	10,891	-83
Grant Income (including New Homes Bonus & RSG)	-1,632	-1,632	-1,647	-15
Business Rates (including SBRR)	-2,990	-2,990	-2,990	0
Council Tax	-6,346	-6,346	-6,346	0
Collection Fund Surplus	-1389	-1389	-1228	161
Total Funding	-12,357	-12,357	-12,211	146
Surplus (-)/Deficit on Revenue Budget	-1,905	-1,383	-1,320	63
Capital Expenditure financed from reserves	129	129	129	0
				· -
Net Transfer to (-)/from Reserves	-1,776	-1,254	-1,191	63

#### **Revenue Variance Explanations (over £15k)**

ADVERSE VARIANCES in excess of £15,000	Projected Outturn Variance £'000
Communities	
Planning - Legal costs from Public Enquiries	30
Finance & Corporate Services	
Communications – Lamp post banners and Rushcliffe Reports April (for 2017/18)	16
Finance additional staffing costs, offset by saving below	34
Legal - Employee costs higher than budgeted for	16
Neighbourhoods	
Streetwise - Additional items in the prime contract	56
Fleet & Garage - Diesel	30
Waste & Fleet - Overtime	16
Car Parks - Equipment	20
Transformation	
Asset Investment, hold on investments	85
Property Staffing to meet increased asset base	30
Occupational health counselling	30
Total Adverse Variances	363

FAVOURABLE VARIANCES in excess of £15,000	Projected
	Outturn Variance £'000
Communities	
Planning Income (fee increases and more demand)	-75
Finance	
Investment Income	-15
Merchant banking	-15
Vacant post salary saving	-49
HB Overpayments	-80
Neighbourhoods	
Waste Collection and Recycling - Green waste income above target	-40
LEX Leisure Payments	-34
East Leake Leisure contract cost saving	-20
Pest Control	-15
Repaid Disabled Facilities Grants	-18
Transformation	
Economic Development - ERDF Digital Growth	-17
Total Favourable Variances	-378
Sum of Minor Variances	-68
TOTAL VARIANCE	-83

#### Capital Programme 2018/19 – July 2018 Position

CAPITAL PROGRAMME MONITORING - JULY 2018							
	Original	Current	Budget	Actual	Projected		
	Budget	Budget	YTD	YTD	Actual	Variance	Explanation
		£000	£000	£000	£000	£'000	
TRANSFORMATION							
Cotgrave Regeneration & MSC	-	3,189	790	791	2,689	(500)	Works have started on site but there has been some slippage. £0.5m to carry forward into 2019/20
Cotgrave Phase 2	-	387	-	-	387		As agreed by Cabinet 12 June 2018
Bingham Land off Chapel Lane	438	645	110	8	645		Land acquisition completed in 2017-18. Remediation costs still to be incurred.
Manvers Business Park	100	100	-	-	100		Roof refurbishment work needed
Property Heating Upgrades		180	-	-	180		One provision created to commission priority works more efficiently
The Point	-	19	-	-	19		Works commenced at the end of last year
Arena Car Park Enhancements	-	465	60	62	465		Work has commenced.
Colliers Way Industrial Units	-	20	-	-	20		Interdependent with housing developer

New Depot	2,500	2,485	-	3	150	(2,335)	Options currently being assessed, projected actual for professional costs. Report to Cabinet (likely in October) which will inform the future capital programme.
RCCC Enhancements	-	100	-	-	100		Works to be commissioned
Finch Close	-	50	50	39	50		Fees on the acquisition
Trent Boulevard	-	1,450	1,450	1,445	1,450		Acquisition and professional fees
Information Systems Strategy	130	297	40	40	297		-
	3,168	9,387	2,500	2,387	6,552	(2,835)	
NEIGHBOURHOODS							
Mheeled Bins	80	80	14	15	80		Budget to be fully spent by year end
φ Wehicle Replacement	200	200	170	167	179	(21)	Refuse freighter purchased, Facilities
Support for Registered Housing Providers	250	1,146	-	-	1,146		van to be ordered £896k brought forward from 2017-18, no commitments at this stage, some schemes
Hound Lodge - Heating	40	-	-	-	-		being scoped Provision moved to Property Heating Upgrades
Assistive Technology	13	13	-	-	13		Provision to support acquisition of Home
Discretionary Top Ups	57	115	10	4	115		Alarms This enables Mandatory DFGs to be topped up from £30,000 to £40,000 for

ļ						individual cases
Disabled Facilities Grants	447	348	50	100	348	£99k was accelerated into 2017-18, to be utilised
Arena Enhancements	-	140	-	-	175	35 Additional capital work identified. Part of extra costs will be met by a grant from NCC of up to £35k,.
Car Park Resurfacing	220	220	-	-	220	-
Car Park Improvements - Lighting West Park	1	50	-	-	50	-
Car Park Improvements - Lighting	110	110	-	-	110	-
Bowls Floor & Carpet	-	65	-	-	65	
Keyworth Leisure Centre (KLC) Dry Change	30	30	-	-	30	-
KLC Filter Replacement	30	30	-	-	30	-
Bingham Leisure Centre Improvements	159	267	-	-	267	Necessary enhancements
Sotgrave Leisure Centre Pool Handling Ventilation System	100	100	-	-	100	-
Edwalton Golf Course (EGC) Fire Alarm System		13	-	-	13	Allocation from Contingency
EGC Upgrade Facilities – Electrical works	_	9	-	2	9	
. 9	1,736	2,936	244	288	2,950	14
COMMUNITIES						
Capital Grant Funding	48	94	10	6	94	Outstanding commitments from 2017-18 £23k, £65k available for future allocation
Play Areas - Special Expense	50	150	-	-	150	£50k Skateboard funding secured.
West Park Fencing and Drainage	-	11	-	-	11	Fencing element complete, drainage work to be

							commissioned
West Park Lighting	-	25	-	-	25		-
West Park Public Toilet Upgrade	20	20	-	-	20		-
West Paul Snorte Pavilian	40						Provision vired to
West Park Sports Pavilion	40		-	-	-		Property Heating Upgrades
West Park Julien Cahn Pavilion	40	40	-	-	40		Works to be scoped
							with general Car Park
RCP - Car Park	_	45	40	37	45		lighting scheme Works started at the
The Sarram		70	70	0,	,0		end of the last
							financial year.
Gresham Pavilion	35		_	_			Provision vired to Property Heating
Siesmann avmen							Upgrades
1. (1							Provision moved to
tutterell Hall	35		-	-	-		Property Heating Upgrades
kateboard Parks	250	250	83	-	235	(15)	, •
							are £125k Radcliffe on
							Trent Parish Council, £50k RBC special
							expense (as above),
							£60k East Leake
Arena Public Art	_	25	_	_	25		Parish Council As agreed by Cabinet
Arena i ublic Art		20	-	_	20		12 June 2018
Gamston Community Centre - Heating	30		-	-	-		Provision vired to
							Property Heating
Warm Homes on Prescription	54	104	18	10	104		Upgrades Better Care Funding
, ,							secured.
	602	764	151	52	749	(15)	
FINANCE & CORPORATE SERVICES							

NCCC Loan	-	822	-	-	822		The loan is being released in tranches.
Asset Investment Strategy	6,300	10,449	-	-	3,048	(7,401)	Projected actual covers: 1 acquisition in the pipeline, potential acquisition/developmen t of Industrial Units in Bingham, and staff costs. Remaining balance is for future potential investment in the Borough
	6,300	11,271			3,870	(7,401)	
CONTINGENCY		·				• •	
Contingency	100	87	-	-	87	-	Allocation made for Fire Alarm System at EGC
page	100	87			87		
TOTAL	11,906	24,445	2,895	2,727	14,208	(10,237)	



#### **Corporate Governance Group**

20 September 2018

**Work Programme** 

#### Report of the Executive Manager – Finance and Corporate Services

#### 1. Summary

- 1.1. The work programme is a standing item for discussion at each meeting of the Corporate Governance Group. 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

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

#### 3. Reasons for Recommendation

#### 4 December 2018

- Internal Audit Progress Report Quarter 2 2018/19
- Health and Safety Interim Report
- Treasury Management 2018/19 Six Monthly Update
- Risk Management Progress Report
- Revenue and Capital Budget Monitoring Quarter 2 2018/18
- Work Programme

#### **7 February 2019**

- Internal Audit Progress Report Quarter 3 2018/19
- Treasury Management Strategy 2019/20
- Revenue and Capital Budget Monitoring Quarter 3 2018/19
- Certification of Grants and Return Annual Report 2017/18
- Work Programme

#### 9 May 2019

- External Audit Plan 2019/20
- Internal Audit Progress Report 2018/19
- Internal Audit Annual Report 2018/19
- Internal Audit Strategy 2018 2021
- IT Progress Report
- Risk Management Progress Report
- Annual Governance Statement
- Work Programme

For more information contact:	Peter Linfield Executive Manager – Finance and Corporate Services 0115 914 8349 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	None.
List of appendices (if any):	None.