



Corporate Governance Group

Thursday, 7 February 2019

Internal Audit Progress Report - Quarter 3 2018/19

Report of the Executive Manager – Finance and Corporate Services

1. Purpose of report

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

2. Recommendation

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

3. Reasons for Recommendation

To conform to 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 was approved by the Corporate Governance Group at its meeting on 10 May 2018 and includes 20 planned reviews. Of these reviews 78% have been completed. The attached report highlights the completion and issuing of four reports: Markets, Contract management – garages and fleet, Community facilities, Contract management – car parking. In terms of findings:

- All four audits have returned findings of Substantial Assurance
- The Markets audit resulted in one medium priority recommendation and one low priority recommendation – both of which have been agreed and appropriate measures will be taken.
- The Community facilities audit resulted in three low level recommendations and management actions have been agreed.

4.2. With regard to the remaining programme, three assignments and a follow-up audit are scheduled for the final quarter of the year and will be reported in May 2019.

5. Alternative options considered and reasons for rejection

5.1. Not applicable.

6. Risks and Uncertainties

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

7. Implications

7.1. Financial Implications

7.1.1. 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.

7.2. Legal Implications

7.2.1. The recommendation supports good risk management.

7.3. Equalities Implications

7.3.1. There are no equalities implications identified for this report

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

7.4.1. There are no such implications.

7.5. Other implications

7.5.1. There are no other implications.

8. Link to Corporate Priorities

8.1. Maintaining a proactive internal audit programme each year contributes to the Corporate Priority of:

- Transforming the Council to enable the delivery of efficient high quality services

9. Recommendations

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

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| Background papers available for Inspection: | None |
| List of appendices: | Appendix - Internal Audit Progress Report – RSM |