



RUSHCLIFFE BOROUGH COUNCIL

Internal Audit Progress Report

Corporate Governance Group

9 May 2019

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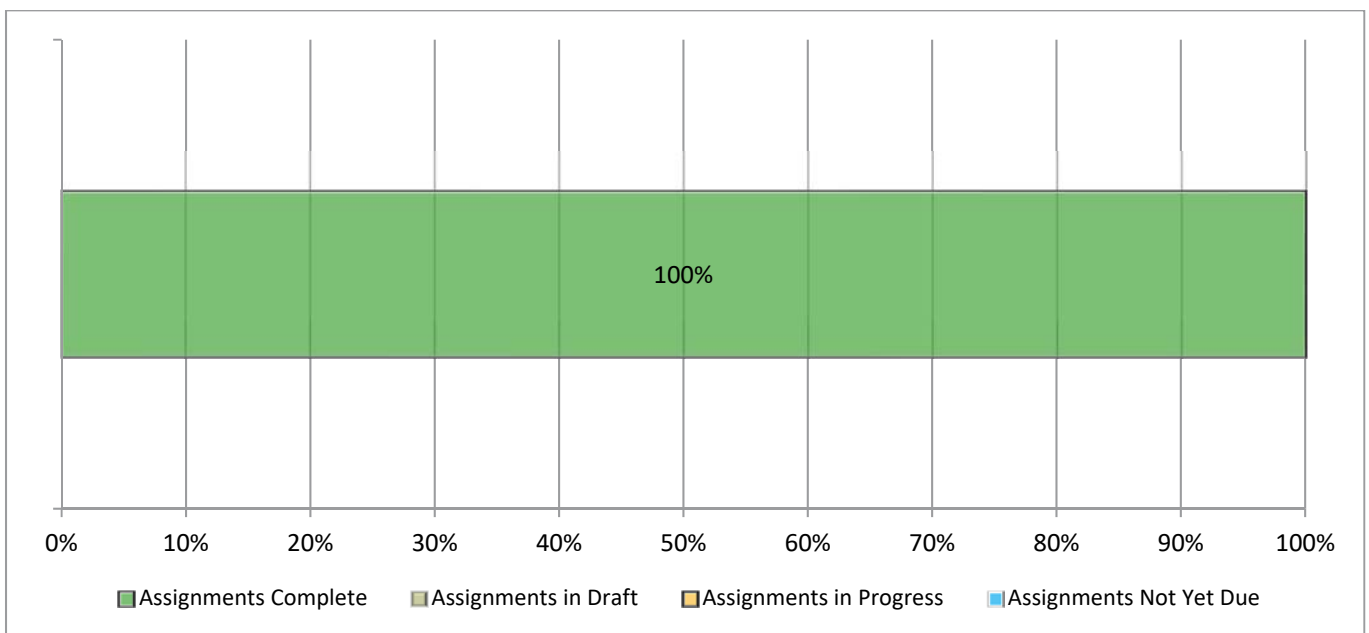
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1 INTRODUCTION

The internal audit plan for 2018/19 was approved by the Corporate Governance Group on 10 May 2018.

Below, we provide a summary update on progress against that plan and summarises the results of our work to date. All audit work included in the 2018/19 internal audit plan is now complete.



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 agreed		
			H	M	L
Budgetary Control and Setting (15.18/19)	Final		0	0	0
Follow Up (16.18/19)	Final	Good Progress	0	1	5
Safeguarding (17.18/19)	Final		0	0	2
Health and Safety (18.18/19)	Final		0	1	3

2.1 Impact of findings to date



Budgetary Control and Setting (15.18/19)

Conclusion: Substantial Assurance

Impact on Annual Opinion: Positive

As a result of testing, no management actions were raised from this audit review.



Follow Up (16.18/19)

Conclusion: Good Progress

Impact on Annual Opinion: Positive

As a result of testing undertaken, one medium and five low priority findings were re-raised. Management actions were agreed in respect of all the findings.

The medium priority finding relates to Garden Waste:

- Procedure notes have been put in place and it was noted that these include screenshots of customers personal data (name, address, etc.) and this is not in line with GDPR.
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Safeguarding (17.18/19)

Conclusion: Substantial Assurance

Impact on Annual Opinion: Positive

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



Health and Safety (18.18/19)

Conclusion: Substantial Assurance

Impact on Annual Opinion: Positive

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

The medium priority finding relates to:

- On review of mandatory Health and Safety e-training records it was noted that the training is not always being carried out. It was also noted that the target for the completion of the training has not been set and this has not been monitored to ensure that the training is being undertaken.
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3 OTHER MATTERS

3.1 Changes to the audit plan

There are no changes to the internal audit plan since the previous Corporate Governance Group.

3.2 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.

3.3 Post Assignment Surveys

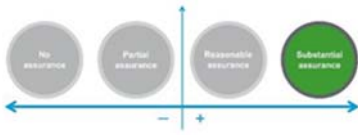
We are committed to delivering an excellent client experience every time we work with you. Your feedback helps us to improve the quality of the service we deliver to you. Currently, following the completion of each product we deliver we attached a brief survey for the client lead to complete.

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.

APPENDIX A: INTERNAL AUDIT ASSIGNMENTS COMPLETED TO DATE

Report previously seen by the Corporate Governance Group and included for information purposes only:

Assignment	Status	Opinion issued	Actions agreed		
			H	M	L
Risk Management (1.18/19)	Final		0	0	0
Business Continuity (2.18/19)	Final		0	0	1
General Data Protection Regulations (GDPR) Governance – Post Implementation Review (3.18/19)	Final	Advisory	Seven management actions to consider		
Council Tax (4.18/19)	Final		0	0	3
Asset Investment (5.18/19)	Final	Advisory	0	0	1
NNDR (6.18/19)	Final		0	0	2
IT Strategy Review (7.18/19)	Final		0	1	4
Payroll and Expenses (8.18/19)	Final		0	0	1
Income and Debtors (9.18/19)	Final		0	0	4

Assignment	Status	Opinion issued	Actions agreed		
			H	M	L
Markets (10.18/19)	Final		0	1	1
Contract Management – Garages and Fleet (12.18/19)	Final		0	0	0
Community Facilities (13.18/19)	Final		0	0	3
Contract Management – Car Parking (14.18/19)	Final		0	0	0

FOR FURTHER INFORMATION CONTACT

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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.

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FOLLOW UP - FINDINGS AND MANAGEMENT ACTIONS

This report has been prepared by exception. Therefore, we have included only those actions graded as 2 and 3. Each action followed up has been categorised in line with the following:

Status	Detail
1	The entire action has been fully implemented.
2	The action has been partly though not yet fully implemented.
3	The action has not been implemented.
4	The action has been superseded and is no longer applicable.
5	The action is not yet due.

ASSIGNMENT TITLE: 17.16/17 Follow Up 2

Ref	Management action	Original date	Original priority	Audit finding	Current status	Updated management action	Priority issued	Revised date	Owner responsible
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ASSIGNMENT TITLE: 1.17/18 Garden Waste

Ref	Management action	Original date	Original priority	Audit finding	Current status	Updated management action	Priority issued	Revised date	Owner responsible
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3	We will produce an operational Garden Waste procedure note and make this available to staff. The procedure note will also cover the requirement to perform stock reconciliations which we will be adding to the garden waste process, and the requirement to verify payment before issuing replacement stickers.	30 September 2017	Low	An overarching Garden Waste procedure note has been implemented alongside a Garden Waste eFin Account Amendments procedure note. Review of the procedure notes confirmed that they are comprehensive with screenshots of the system to illustrate the process and reflect actual practice. However, it was noted that the system screenshots within the procedure notes contain personal data of customers (name, address etc.), this is not in line with GDPR as personal	2	An email will be sent to staff reminding them that personal data should be removed from procedure notes, for example where screenshots of systems are used to illustrate a process. Procedure notes will not include personal data.	Medium	28 February 2019	Customer Services Supervisor
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data must be protected and not shared except for the purpose for which it was provided.

HEALTH AND SAFETY - DETAILED FINDINGS

Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those risks of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design	Controls complied with	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Risk: The Council do not have adequate Health and Safety procedures in place with third parties, including contractual arrangements to ensure data is stored securely on the Health and Safety system used by the Council.								
3	Mandatory training courses on Health and Safety are made available via the eLearning portal. Fire Safety, Display screen equipment and Manual Handling training is mandatory for all staff. Legionella and Asbestos is mandatory and is dependent on the role and responsibility of the member of staff	Yes	No	On review of the mandatory training reports it was identified that: a) There were 181 course enrolments dated pre-2018 and 31 course enrolments in 2018 that had not been started by the members of staff. b) There were 17 course enrolments dated pre-2018 and two course enrolments in 2018 that were in progress. Target times for the completion of the Health and Safety training are	Medium	a) A review will be undertaken of the training records to ensure that staff have been provided with up to date mandatory Health and Safety training. Where the mandatory training is not in place or is not up to date the member of staff will be required to undertake the training as soon as possible. b) Target times for the completion of the	30 August 2019	Health and Safety Advisor

Ref	Control	Adequate control design	Controls complied with	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	and will be for selected staff only. The Manual Handling course has been re-issued again recently and staff have been asked to complete the new course if they haven't completed the old course in the last three years.			not set and Health and Safety training is not always being undertaken by the staff. There is an increased risk of staff being unaware of the Council's Health and Safety procedures and this may result in an increase of accidents/incidents.		mandatory Health and Safety training be agreed and all mandatory training will be required to be undertaken within the target times set. c) Monitoring will be undertaken on the mandatory training to ensure that all members of staff are undertaking the mandatory training.		