

Report of the Executive Manager – Finance and Corporate Services

1. Purpose of report

- 1.1. The attached reports have been prepared by the Council's internal auditors RSM. They represent the first and second progress reports for the financial year 2019/20 and show 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 Governance Scrutiny Group notes the progress made so far this year against the Internal Audit programme.

3. Reasons for Recommendation

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

4. Supporting Information

- 4.1. The Internal Audit Plan for 2019/20 was approved by the Corporate Governance Group at its meeting on 7 February 2019 and includes 14 planned reviews. The two attached reports highlight the completion and issuing of six reports: Disabled Facilities Grants (DFG), Corporate Governance, Housing Benefit, Building Control, Treasury Management and Land Charges. In terms of findings:

- Five substantive audits have returned findings of Substantial Assurance
- The Corporate Governance, Housing Benefits and Land Charges audits each resulted in one low level recommendation and management actions have been agreed.
- The DFG audit resulted in one medium and four low level priority recommendations – the medium priority recommendation related to improving procedures relating to the closure of DFG cases. Management actions have been agreed for all recommendations.
- The Building Control audit resulted in three medium and one low priority recommendations – the medium priority recommendations related to a delay in the preparation of a deed of variation by South Kesteven District Council, the keeping and filing of necessary receipts, and the issuing of

completion certificates. As our Building Control service is delivered by the South Nottinghamshire Building Control Partnership they will be responsible for taking action on the recommendations.

5. Risks and Uncertainties

- 5.1. If recommendations are not acted upon there is a risk 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

The recommendation supports good risk management.

6.3. Equalities Implications

There are no equalities implications identified for this report.

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

There are no such implications.

7. 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

8. Recommendations

It is RECOMMENDED that the Governance Scrutiny Group notes the progress made so far this year against the Internal Audit programme.

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Background papers available for Inspection:	None.
List of appendices:	Appendix 1 - Internal Audit Progress Report – RSM

