



## Governance Scrutiny Group

Thursday, 24 June 2021

### Internal Audit Progress Report - May 2021

## Report of the Director – Finance and Corporate Services

### 1. Purpose of report

- 1.1. The attached report has been prepared by the Council's internal auditors BDO. It reflects the progress made against the annual Internal 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 report for 2020/21 (**Appendix A**) prepared by 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 Governance Scrutiny Group regarding the Council's internal control environment.

### 4. Supporting Information

- 4.1. The Internal Audit Plan for 2020/21 was approved by the Governance Scrutiny Group at its meeting on 6 February 2020 and includes 10 planned reviews. Due to the impact of Covid-19 on workloads, progress at the start of the year was slower than anticipated but all planned audits were completed by the end of the year.
- 4.2. The attached report highlights the completion and issuing of five reports, four from the 2020/21 Internal Audit Annual Plan and one from the 2021/22 Internal Audit Annual Plan. In terms of findings:
  - The Pest and Dog Control audit received a Moderate rating for both Design and Operational Effectiveness – three medium level recommendations were made, and management actions have been agreed.
  - The Recruitment and Retention audit received a Moderate rating for both Design and Operational Effectiveness – two medium level and one low level recommendations were made, and management actions have been agreed.

- The Covid-19 Grants Assurance (an additional audit undertaken in response to the Covid-19 pandemic) audit received a Substantial rating for both Design and Operational Effectiveness.
- The Cyber Security audit received a Substantial rating for both Design and Operational Effectiveness – one medium and two low level recommendations were made, and management actions have been agreed.
- The Fraud audit is reported upon separately at this meeting of the Governance Scrutiny Group.

4.3. Despite delayed start to the Internal Audit Plan for 2020/21 due to the Covid-19 pandemic, 100% of the Plan was delivered by the year end. The Internal Audit Annual Report is also on the agenda for this meeting of the Governance Scrutiny Group.

## 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

Quality of Life	
Efficient Services	Undertaking a programme of internal audit ensures that proper and efficient services are delivered by the Council.
Sustainable Growth	
The Environment	

## 8. Recommendations

It is RECOMMENDED that the Governance Scrutiny Group notes the final progress report for 2020/21 (**Appendix A**) prepared by the Council's Internal Auditor.

<b>For more information contact:</b>	Peter Linfield Director of Finance and Corporate Services Tel: 0115 9148439 plinfield@rushcliffe.gov.uk
<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	Appendix A - Internal Audit Progress Report – BDO