

Report of the Executive Manager - Finance and Corporate Services

1. Summary

- 1.1 The attached report has been prepared by the Council's internal auditors RSM. It is the last report for the financial year 2017/18 showing that all audits have been completed for the year, along with any significant recommendations with regards to the audits completed at the end of the financial year 2017/18.

2. Recommendation

It is RECOMMENDED that the Corporate Governance Group notes Internal Audit's final Progress Report in relation to 2017/18 (**Appendix A**).

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 appended RSM report highlights the completion of the Internal Audit Plan for 2017/18. In accordance with the Public Sector Internal Audit Standards, the Head of Internal Audit, RSM, is required to provide an annual opinion and it is pleasing to note that for 2017/18 RSM has concluded that the Council has an adequate and effective framework for risk management, governance and internal control.
- 4.2 RSM have undertaken 11 audits, 3 advisory reviews and 1 follow up review in 2017/18. As reported previously as part of the progress reports, of the 11 reviews, 7 resulted in a green substantial assurance being provided and four reviews resulted in amber reasonable assurance, primarily due to the number of low recommendations. The advisory reviews resulted in 2 medium priority actions which the representative from RSM will address at the meeting.
- 4.3 The Follow up review found that good progress had been made, with one outstanding recommendation with a medium status as shown in the table below.

Table 1

Ref 1. 17/18 Follow up – Land Charges			
Recommendation	Updated management actions	Completion by	Resp. Officer
Land charges to be recorded on the property register in relation to Disabled Facilities Grants will be notified to the Business Support Unit as soon as possible after the grant payment has been made. This action has already been put in place – following completion of the grant works if applicable land charges are notified straight away of a charge on the property. This has been put into the operational protocol to be carried out by Business Support Unit as part of the electronic delivery we are planning.	Business Support Unit will take over the role of direct notification of Land charges.	30 April 2018	Protection and Safety Manager

5. Other Options Considered

5.1 Not Applicable

6. Risk 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 Finance

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

None

7.3 Corporate Priorities

Not applicable

7.4 Other Implications

None

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Background papers Available for Inspection:	Internal Audit Progress Reports during 2017/18
List of appendices (if any):	Appendix A – Internal Audit Annual Report 2017/18