

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 third report for the financial year 2017/18 and shows the current position on the audit programme, along with any significant recommendations with regards to the audits completed during this period.

2. Recommendation

It is RECOMMENDED that the Corporate Governance Group notes Internal Audit's second Progress Report for 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 Internal Audit Plan for 2017/18 includes 14 planned reviews. Of these reviews 100% have now been completed. The attached report highlights the completion and issuing of 8 reports since the last Corporate Governance Group: Corporate Governance; Main Accounting; Data Protection; Contract Management; Creditors and e-procurement; Follow up; Allowances; and Cyber Security and ISO 27001.
- 4.2 All assignments have received a positive assurance. In terms of findings, there are four medium priority recommendations:
- 4.2.1 Corporate Governance (1) – Transparency Code information needs to be kept up to date on the Council's website.
 - 4.2.2 Contract Management (2) – The Council's Contract Register needs to be reviewed and updated and to ensure that formal agreements are in place with all contractors.
 - 4.2.3 Follow up (1) – Whilst overall good progress has been made, one medium priority, relating to Land Charges reconciliation, remains outstanding.

- 4.3 Mitigating action has been agreed by management for all recommendations.

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.

Implications

6.2 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.

6.3 Legal

None.

6.4 Corporate Priorities

Not applicable.

6.5 Other Implications

None.

For more information contact:	Nigel Carter Service Manager – Finance and Commercial 0115 914 8340 ncarter@rushcliffe.gov.uk
Background papers Available for Inspection:	Internal Audit Reports 2017/18
List of appendices (if any):	Appendix A – Internal Audit Progress Report 2017/18