



Governance Scrutiny Group

Thursday, 3 February 2022

Internal Audit Progress Report - February 2022

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 2021/22 (**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 2021/22 was approved by the Governance Scrutiny Group at its meeting on 4 February 2021 and includes 10 planned reviews.
- 4.2. The attached report highlights the completion and issuing of two reports from the 2021/22 Internal Audit Annual Plan. In terms of findings:
 - The Business Continuity audit received a moderate rating for Design Opinion and a substantial rating for Design Effectiveness – one medium and one low level recommendations were made, and management actions have been agreed. This is one of the rare occasions the Council's Senior Management disagrees with the rating on 'design opinion' given the excellent way the Council has performed during both instances of flooding and the pandemic and given there is only one medium risk (which the Council believes is arguably a low risk). It is also noted a moderate rating is not a cause for concern.

- The Housing Benefit audit received a Substantial rating for both Design Opinion and Design Effectiveness with no high or medium level recommendations being made.

4.3. The audit plan is progressing well and is anticipated to be completed on target.

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 progress report for 2021/22 (**Appendix A**) prepared by the Council's Internal Auditor.

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Background papers available for Inspection:	Internal Audit Plan 2021/22 Governance Scrutiny Group 4 February 2021
List of appendices:	Appendix A - Internal Audit Progress Report – BDO