



# Item No. 6

Meeting Date

Wednesday 14<sup>th</sup> December 2022

## Glasgow City Integration Joint Board Finance, Audit and Scrutiny Committee

**Report By:** Chief Internal Auditor for the Integration Joint Board

**Contact:** Duncan Black

**Phone:** 0141 287 4053

### Internal Audit Update (1 April 2022 – 30 November 2022)

**Purpose of Report:**

To present to the Glasgow City Integration Joint Board Finance, Audit and Scrutiny Committee details of the Internal Audit work undertaken at Glasgow City Council and NHS Greater Glasgow and Clyde that may have an impact upon the Glasgow City Integration Joint Board.

**Background/Engagement:**

The Integration Joint Board is required to comply with Article 7 of the Local Authority Accounts (Scotland) Regulations 2014. The regulations require a local authority to operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing.

**Governance Route:**

The matters contained within this paper have been previously considered by the following group(s) as part of its development.

HSCP Senior Management Team ☐  
Council Corporate Management Team ☐  
Health Board Corporate Management Team ☐  
Council Committee ☐  
Update requested by IJB ☐  
Other ☐

Not Applicable ☒

**Recommendations:**

The IJB Finance, Audit and Scrutiny Committee is asked to:

a) note the content of the report.

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<b>Relevance to Integration Joint Board Strategic Plan:</b>
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To provide assurance on various aspects of the Strategic Plan.
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**Implications for Health and Social Care Partnership:**

<b>Reference to National Health &amp; Wellbeing Outcome:</b>	n/a
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<b>Personnel:</b>	There are no direct personnel implications as a result of the content of this paper.
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<b>Carers:</b>	There are no direct implications for carers as a result of the content of this paper.
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<b>Provider Organisations:</b>	There are no direct implications for provider organisations as a result of the content of this paper.
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<b>Equalities:</b>	n/a
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<b>Fairer Scotland Compliance:</b>	n/a
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<b>Financial:</b>	There are no direct financial implications as a result of the content of this paper.
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<b>Legal:</b>	The IJB will be compliant with: <ul style="list-style-type: none"><li>– The Integrated Resource Advisory Group guidance in relation to audit provision.</li><li>– The Local Authority Accounts (Scotland) Regulations 2014.</li></ul>
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<b>Economic Impact:</b>	There is no wider economic impact within the city of proceeding with the course proposed.
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<b>Sustainability:</b>	There are no direct sustainability implications as a result of the content of this paper.
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<b>Sustainable Procurement and Article 19:</b>	There are no direct sustainable procurement and Article 19 implications as a result of the content of this paper.
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<b>Risk Implications:</b>	Internal Audit facilitates the reduction of risks identified during the audit process.
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<b>Implications for Glasgow City Council:</b>	The Internal Auditors of Glasgow City Council will continue to follow up on the recommendations arising from the reviews relating to Social Work Services.
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	The Internal Auditors of NHS Greater Glasgow & Clyde will continue to follow up on the recommendations arising from the reviews relating to NHS Greater Glasgow & Clyde.
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### 1. Purpose

- 1.1. To present to the IJB Finance, Audit and Scrutiny Committee details of the Internal Audit work undertaken at Glasgow City Council and NHS Greater Glasgow & Clyde that may have an impact upon the Glasgow City Integration Joint Board.

### 2. Background

- 2.1. Both Glasgow City Council (GCC) and NHS Greater Glasgow & Clyde (NHSGG&C) have Internal Audit functions that conduct audits across each organisation and report the findings of these to the respective audit committees.
- 2.2. Members of the Integration Joint Board have an interest in the outcomes of audits at both Glasgow City Council and NHS Greater Glasgow & Clyde that have an impact upon the Integration Joint Board's ability to deliver the Strategic Plan.
- 2.3. This report provides a summary to the Glasgow City Integration Joint Board's Finance, Audit and Scrutiny Committee (FASC) of the Internal Audit activity at these organisations since the last update to the FASC in April 2022 which may have an impact upon the delivery of the Strategic Plan.

### 3. Glasgow City Council

- 3.1. In the period, the following Internal Audit reports which are relevant to the Integration Joint Board have been issued to Glasgow City Council:

Audit Title	Opinion	Number and Priority of Recommendations			
Corporate Reviews:		High	Medium	Low	SI*
Procurement: Non-Contract Spend	Reasonable	0	2	1	0
Use of Non-Contractual Overtime	Reasonable	0	1	0	0
Payroll Verification	Reasonable	0	3	1	0
Establishment Visits (note i)	Reasonable	1	5	0	0
TOTAL		1	11	2	0

\*Service Improvement

- 3.2. In each audit one of four opinions is expressed:

- The control environment is satisfactory i.e., audit testing found no concerns with the control environment.
- A reasonable level of assurance can be placed upon the control environment i.e., audit testing found no major weaknesses in the control environment, but some improvements could be made.
- A limited level of assurance can be placed upon the control environment i.e., improvements are necessary to ensure the control environment is fit for purpose.

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- The control environment is unsatisfactory i.e., significant improvements are required before any reliance can be placed upon the control environment.

### 3.3. Notes:

- (i) The high priority recommendation relates to the review of cash management processes within Social Work establishments; it was found that improvements are required to the controls designed to minimise the theft or loss of cash, including ensuring that appropriate records are maintained.

### 3.4. Update on previously reported high priority recommendations:

The table below details previously reported high priority recommendations from the reviews undertaken within Glasgow City Council of relevance to the IJB.

Audit Title	Opinion	Number of Recommendations		
		High Priority	Completed	Outstanding
Social Work Services				
Review of Adoption Arrangements (note (i))	Reasonable	1	0	1
Review of Kinship Care Arrangements (note (ii))	Reasonable	1	0	1
TOTAL		2	0	2

- 3.5. The above recommendations reflect the status when last reported to the Glasgow City Council's Finance and Audit Scrutiny Committee. As with all recommendations, the Chief Internal Auditor will monitor their implementation and summary information will be provided to a future Finance, Audit and Scrutiny Committee.

### 3.6. Notes:

- (i) Review of Adoption Arrangements - The high priority recommendation relates to improvements in the case records being maintained, specifically with regards to confirmation of attendance at mandatory preparation sessions and fully completed paperwork. Although we have been advised that briefings have happened as agreed in the report, further work on the completion of the sampling exercise has been delayed. This has now re-started and was expected to have been completed by the revised implementation date of 30 September 2022. An assessment of the work that undertaken to date is being assessed by GCC Internal Audit to determine whether this recommendation has been implemented.
- (ii) Review of Kinship Care Arrangements - The high priority recommendation relates to ensuring that confirmation of Protecting Vulnerable Groups (PVG) Scheme membership is adequately documented for kinship carers. We have been advised that progress

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has been made to establish appropriate documentation in relation to the kinship carers and remedial work is currently being undertaken to update gaps identified to ensure that confirmation of PVG checks has been adequately documented. A revised implementation date of 30 November 2022 was provided.

### 4. NHS Greater Glasgow & Clyde

- 4.1. In the period, the following Internal Audit reports, which are relevant to the Integration Joint Board, have been issued to NHS Greater Glasgow & Clyde:

Audit Title	Report Classification	Number of Issues per Grading			
		4	3	2	1
Assurance Framework – Directorate Risk Registers (note (i))	Minor Improvement Required	0	1	1	0
Delayed Discharges (note (ii))	Substantial Improvement Required	0	2	1	0
Nurse Bank (note (iii))	Not Rated	-	-	-	-
Bed Management	Minor Improvement Required	0	0	2	0
Time of Day Discharge (note (iv))	Substantial Improvement Required	0	4	2	0
IT Service Delivery	Minor Improvement Required	0	0	6	0
Property Transaction Monitoring	Effective	0	0	0	0
<b>TOTAL</b>		<b>0</b>	<b>7</b>	<b>12</b>	<b>0</b>

- 4.2. The ratings below describe the overall opinion on the control frameworks reviewed during each audit:

- Immediate, major improvement required: Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.
- Substantial improvement required: Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.
- Minor improvement required: A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.
- Effective: Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.

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### Ranking Definition:

4. Very high-risk exposure - major concerns requiring immediate senior management attention.
  1. High risk exposure - absence / failure of key controls.
  2. Moderate risk exposure - controls not working effectively and efficiently.
  1. Limited risk exposure - controls are working effectively but could be strengthened.
- 4.3. Notes on audits rated as 'substantial' or 'immediate, major' improvement required:
- (i) Assurance Framework: Directorate Risk Registers – the recommendation relates to the need to ensure there is clear articulation of local approaches to risk identification and subsequent monitoring. This recommendation is not yet due for completion.
  - (ii) Delayed Discharges – the recommendations relate to (1) improvements in completion of the discharge checklist and (2) timeliness of referrals to Social Work Services. Recommendation one is confirmed as complete and recommendation two is partially complete.
  - (iii) Nurse Bank – this audit sought to provide insight into the working practices supporting the bank system through a data led analysis of key trends and the interrogation of outliers and exceptions, the findings were provided to management, and will be used to inform future resource planning. The results of the work have identified avenues for further investigation, either by NHSGG&C management or future Internal Audit review, and as such, an overall opinion over the effectiveness of the controls in this area has not been provided.
  - (iv) Time of Day Discharge - the recommendations relate to (1) the approach to Social Work referrals, (2) the availability and use of discharge lounges, (3) the timeliness of updates to TrakCare data and (4) updates to performance monitoring following the launch of the 'Home by Lunch' scheme. Recommendations two and three have been confirmed as complete.

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4.4. Update on previously reported high priority recommendations

The table below details previously reported grade four / three recommendations from the reviews undertaken within NHSGGC of relevance to the IJB. All of these have been implemented.

Audit Title	Report Classification	Number of Issues per Grading			
		Grade 4	Grade 3	Completed	Outstanding
Financial Systems Health Check – Procurement and Tendering	Substantial Improvement Required	0	3	3	0
<b>TOTAL</b>		<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>

**5. Recommendations**

5.1. The IJB Finance, Audit and Scrutiny is asked to:

- a) note the content of the report.