



Item No. 7

Meeting Date Wednesday 9th September 2020

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

Report By: Chief Internal Auditor for the Integration Joint Board

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**INTERNAL AUDIT UPDATE
(November 2019 – August 2020)**

Purpose of Report:	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 and Clyde that may have an impact upon the Glasgow City Integration Joint Board.
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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.
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Recommendations:	The IJB Finance, Audit and Scrutiny Committee is asked to: a) note the content of the report.
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Relevance to Integration Joint Board Strategic Plan:	
	To provide assurance on various aspects of the Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	N/A
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Personnel:	None
Carers:	None
Provider Organisations:	None
Equalities:	None
Fairer Scotland Compliance:	None
Financial:	None
Legal:	The IJB will be compliant with: - The Integrated Resource Advisory Group guidance in relation to audit provision. - The Local Authority Accounts (Scotland) Regulations 2014
Economic Impact:	None
Sustainability:	None
Sustainable Procurement and Article 19:	None
Risk Implications:	None
Implications for Glasgow City Council:	The internal auditors of the Council will continue to follow up on the recommendations arising from the reviews relating to Social Work Services.
Implications for NHS Greater Glasgow & Clyde:	The internal auditors of NHSGG&C will continue to follow up on the recommendations arising from the reviews relating to NHSGG&C.

1. Background

- 1.1 Both Glasgow City Council and NHS Greater Glasgow and Clyde have Internal Audit functions that conduct audits across each organisation and report the findings of these to the respective audit committees.
- 1.2 Members of the Integration Joint Board have an interest in the outcomes of audits at both Glasgow City Council and NHS Greater Glasgow and Clyde that have an impact upon the Integration Joint Board's ability to deliver the strategic plan.
- 1.3 This report provides a summary to the Glasgow City Integration Joint Board's Finance, Audit and Scrutiny Committee of the Internal Audit activity at these organisations since the last update in October 2019 which may have an impact upon the delivery of the strategic plan.

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2. Glasgow City Council

2.1 In the period, the following Internal Audit reports have been issued to the Council, which are relevant to the Integration Joint Board:

Audit Title	Opinion	Number and Priority of Recommendations			
		High	Medium	Low	SI*
Social Work Services Reports:					
SWS payroll verification	Satisfactory	0	0	1	0
Care First data quality and integrity	Satisfactory	0	0	0	0
Piper Network Controller (PNC) Call handling application (i)	Reasonable	1	2	0	1
SWS Fostering Services (ii)	Limited	3	2	1	0
Corporate Reviews					
Review of fuel cards	Reasonable	0	5	0	1
Once time vendor usage (iii)	Reasonable	2	3	1	0
Blue Badge application process (iv)	Unsatisfactory	4	5	1	0
Corporate Review – taxi usage (v)	Unsatisfactory	6	2	0	0
TOTAL		16	19	4	2

*Service Improvement

2.2 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.
- The control environment is unsatisfactory i.e. significant improvements are required before any reliance can be placed upon the control environment.

2.3 Notes

- (i) PNC Call handling application - The high priority recommendation relates to the arrangements in place for the use of generic accounts within the system.
- (ii) SWS Fostering Services - The high priority recommendations relate to compliance with the agreed procedures in place for the foster carer approval process.
- (iii) Once time vendor usage - The high priority recommendations relate to the authorisation of one time vendor payments and the appropriate division of roles and responsibilities within the one time vendor process.

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- (iv) Blue Badge application process - The high priority recommendations relate to improvements that are to be taken forward by financial services in relation to the payment, approval, authorisation and reconciliation processes in place.
- (v) Corporate Review of taxi usage - The high priority recommendations relate to the development of appropriate arrangements and improved controls in relation to the ordering, approval and use of taxis (approximately 10% of corporate taxi expenditure relates to Social Work Services).

2.4 Update on previously reported high priority recommendations

The table below provides an update on 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				
Use of Pay Point	Limited	8	8	0
Self-Directed Support (2013/14)	Limited	4	4	0
Individual budget direct payments (note i)	Limited	4	0	4
Corporate Reviews				
Compliance with IR35	Limited	1	1	0
Email auto forwarding arrangements	Reasonable	1	1	0
Establishment Visits	Reasonable	1	0	1
User access management and IT permissions	Limited	3	3	0
TOTAL		22	17	5

Notes

- (i) The outstanding recommendations relates to developing arrangements to ensure that staff fully comply with the requirements for allocating individual budgets, and for the review of the timelines and arrangements in place for personalisation reviews. The recommendations were originally due for completion on 31 August 2019, however, the deadline has been revised to allow for the necessary developments to be completed. A revised implementation date of 30 September 2020 has been provided.

2.5 The above recommendations reflect the status of the recommendations when last reported to the Council's Finance and Audit Scrutiny Committee (FASC). The outstanding recommendations will continue to be followed up as part of the Glasgow City Council FASC follow up process.

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3 NHS Greater Glasgow and Clyde

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

Audit Title	Report Classification	Number of Issues per grading			
		4	3	2	1
A.3 Service redesign – Acute Stroke Services	Substantial improvement required	0	2	4	0
A.4 Operational planning	Substantial improvement required	0	3	3	0
B.3 Payroll	Minor improvement required	0	0	2	1
C.7 Mental health waiting times	Minor improvement required	0	0	3	2
D.4 Health and safety	Minor improvement required	0	0	1	0
TOTAL		0	5	13	3

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.

Ranking Definition

4. Very high risk exposure - major concerns requiring immediate senior management attention.
- 3 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. Recommendation

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

- a) note the content of the report.