



Item No. 8

Meeting Date: Wednesday 24th April 2019

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 (October 2018 – March 2019)

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.
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.
Recommendations:	The IJB Finance, Audit and Scrutiny Committee is asked to: a) note the report.

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 September 2018 which may have an impact upon the delivery of the strategic plan.
- 1.4 As with all recommendations, the Chief Internal Auditor will monitor the implementation of these and summary information will be provided to a future Finance, Audit and Scrutiny Committee.

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
Social Work Services Reports:				
Governance Review	Reasonable	0	3	0
Corporate Reports:				
Protection of Vulnerable Groups (PVG) Scheme Arrangements (note i)	Reasonable	1	3	0
Use of PayPoint (note ii)	Limited	8	2	0
General Data Protection Regulations (GDPR) Compliance	Satisfactory	0	0	0
TOTAL		9	8	0

- 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.

Notes

- (i) The high priority recommendation relates to the requirement for all services to conduct a review of posts following the transfer of former Cordia staff to ensure that staff are enrolled in the PVG scheme where regulated work has been identified.

- (ii) The high priority recommendations relate to ensuring compliance with agreed procedures and follow up action that required to be taken.

2.3 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				
Social Work Services – Self Directed Support (note i)	Limited	4	3	1
Attendance Management	Limited	1	1	0
Establishment Visits	Reasonable	7	7	0
TOTAL		12	11	1

Notes

- (i) The outstanding recommendation relates to a solution for administering direct payments to Social Work Services service users, and was originally due for completion in September 2014. The contract with the service provider is currently being finalised by the Council's IT provider, CGI. In the meantime, Glasgow City Health and Social Care Partnership (GCHSCP) are developing an implementation plan with a view to a phased implementation of the IT solution from May 2019 and full implementation by October 2019. GCHSCP are currently liaising with colleagues from across the Council in order to ensure that the revised processes are robust. It is anticipated that the recommendation will be fully implemented by 31st October 2019.

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.1 Strategic Planning Alignment	N/A	-	-	-	-
B.1 Financial Systems Health Check	Minor improvement required	-	-	9	1
B.2 Financial Planning – Financial Improvement Programme	Minor improvement required	-	-	3	2
D.1 Sickness Absence	Substantial Improvement Required	-	5	1	1
D.5 Other Leave	Minor improvement required	-	-	3	-
E.2 Digital Strategy	Minor improvement required	-	-	2	-
F.1 Governance statement readiness	Effective	-	-	-	1
F.3 Property transaction monitoring	Minor improvement required	-	-	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.

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.