



Item No: 6

Meeting Date: Monday, 12th September 2016

Glasgow City IJB Finance and Audit Committee

Report By: Chief Internal Auditor to the Integrated Joint Board

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INTERNAL AUDIT 6 MONTHLY UPDATE

Purpose of Report:	To present to the IJB-Finance and Audit 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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Recommendations:	The IJB-Finance and Audit Committee is asked to note the content of the report.
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Implications for IJB:

Financial:	None
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Personnel:	None
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Legal:	None
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Economic Impact:	None
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Sustainability:	None
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Sustainable Procurement and Article 19:	None
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Equalities:	None
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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 Care 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 NHS services.
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1. BACKGROUND

- 1.1 The Glasgow City Integration Joint Board directs both Glasgow City Council and NHS Greater Glasgow and Clyde to deliver services that enable the Glasgow City Integration Joint Board to deliver on its strategic plan.
- 1.2 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.
- 1.3 Following the establishment of the Glasgow City Integration Joint Board in February 2016, 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.
- 1.4 This report provides a summary to the Glasgow City Integration Joint Board's Finance and Audit Committee of the Internal Audit activity at these organisations in the last 6 months which has an impact upon the delivery of the strategic plan.

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:				
Revised governance arrangements in relation to procurement activity	Reasonable level of assurance	0	1	0
Personalisation	Reasonable level of assurance	0	2	0
Day care charging	Reasonable level of assurance	0	1	1
Homelessness debt write off	Reasonable level of assurance	0	3	0
Homecare	Reasonable level of	3	1	1

	assurance			
Social Work Services Establishment visits	Limited level of assurance Note (i)	3	7	1
Corporate Reports:				
Payroll Verification	Reasonable level of assurance	2	1	1
Attendance Management	Limited level of assurance Note (ii)	1	4	0
Overtime	Reasonable level of assurance	2	2	0
Accounts Payable	Reasonable level of assurance	0	1	0
Disaster Recovery/Business Continuity Arrangements	Control environment has been assessed as unsatisfactory Note (iii)	6	5	0
TOTAL		17	28	4

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) The establishment visits included a review of the administration of client money and belongings as well as a review of the physical security arrangements in place. The review found that although there were documented procedures in place for the administration of client money and belongings these were not always adhered to. For example formal bank reconciliations were not always undertaken and required paperwork and forms were not always completed. Physical security arrangements could also be improved at the establishments visited, including the processes for visitors and restricting access to secure areas.
- (ii) The review of attendance management highlighted areas of non compliance with the Council's attendance management procedures including the recording of absences, the processes for return to work interviews following a period of absence and the management of long terms absences. Of the five recommendations made, SWS has direct responsibility for implementing four.
- (iii) The review of disaster recovery and business continuity highlighted serious control deficiencies where the potential operational risk exposure is significant. The deficiencies related to disaster recovery planning, incident management, back up arrangements and testing. These matters were included in the Council's, and the IJB's, 2015/16 Annual Governance Statement.

- 2.4 Internal Audit will undertake follow up work to confirm the implementation of the recommendations. The results of this follow up work will be presented to the Council's Finance and Audit Scrutiny Committee with any matters of concern being drawn to the attention of this Committee.

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	Opinion	Number and Priority of Recommendations		
		High	Medium	Low
Delayed Discharge: Use of additional funding	Low risk	0	2	0
Health & Social Care Partnerships: Governance Arrangements	Low risk	0	0	4
Risk Management Arrangements	Medium risk Note (iv)	0	3	1
Clinical Governance	High risk Note (v)	0	6	1
TOTAL		0	11	6

- 3.2 High risk indicates findings that could have a:

- Significant impact on operational performance; or
- Significant monetary or financial statement impact or
- Significant breach in laws and regulations resulting in significant fines and consequences; or
- Significant impact on the reputation or brand of the organisation.

Medium risk indicates findings that could have a:

- Moderate impact on operational performance; or
- Moderate monetary or financial statement impact; or
- Moderate breach in laws and regulations resulting in fines and consequences; or
- Moderate impact on the reputation or brand of the organisation.

Low risk indicates findings that could have a:

- Minor impact on the organisation's operational performance; or
- Minor monetary or financial statement impact; or
- Minor breach in laws and regulations with limited consequences; or
- Minor impact on the reputation of the organisation

- 3.3 Notes:

- (iv) There have been a number of initiatives undertaken by NHSGGC to address the recommendations made in the previous audit report on Risk Management. However, medium risk issues were identified that are limiting the effectiveness of the actions taken to date: non-attendance at the Risk Management Steering Group of key stakeholders from Acute services; the absence of a clear plan to

fully roll out Datix in all NHSGGC areas; and the absence of training or communication plans to support the revised RM Strategy and Policy.

- (v) This was a follow up review following a report in May 2015 on Clinical Governance. The internal auditors found that progress against Phase 1 of each action was near completion. They also noted continuance of good practice during the review of clinical governance arrangements within Acute Services Division. However, the implementation of four original medium risk actions remain ongoing. The actions relate to: (i) procedural/guidance documents, (ii) divisional level governance groups, (iii) child protection reporting and (iv) recommendations from an enquiry including knowledge sharing arrangements. In addition two new medium risk findings were also identified relating to improvements to the clinical risk management framework; and an absence of assurance to NHSGGC of the steps to be taken by the IJBs to meet the statutory requirement to be operational by 1 April 2016.

- 3.4 Internal Audit undertake follow up work to confirm the implementation of high risk and a sample of medium risk recommendations. The results of this follow up work is reported to the Audit Committee with any matters of concern being drawn to the attention of this Committee.

4. RECOMMENDATION

- 4.1 The IJB-Finance and Audit Committee is asked to note the content of the report.