



Item No. 7

Meeting Date

Wednesday 11th June 2025

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

Report By: Chief Internal Auditor for the Integration Joint Board

Contact: Chief Internal Auditor

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**Internal Audit Update
(1 December 2024 – 31 May 2025)**

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:	<p>The matters contained within this paper have been previously considered by the following group(s) as part of its development.</p> <p>HSCP Senior Management Team <input type="checkbox"/></p> <p>Council Corporate Management Team <input type="checkbox"/></p> <p>Health Board Corporate Management Team <input type="checkbox"/></p> <p>Council Committee <input type="checkbox"/></p> <p>Update requested by IJB <input type="checkbox"/></p> <p>Other <input type="checkbox"/></p> <p>Not Applicable <input checked="" type="checkbox"/></p>
Recommendations:	<p>The IJB Finance, Audit and Scrutiny Committee is asked to:</p> <p>a) Note the content of the report.</p>

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

Personnel:

There are no direct personnel implications as a result of the content of this paper.

Carers:

There are no direct implications for carers as a result of the content of this paper.

Provider Organisations:

There are no direct implications for provider organisations as a result of the content of this paper.

Equalities:

n/a

Fairer Scotland Compliance:

n/a

Financial:

There are no direct financial implications as a result of the content of this paper.

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:

There is no wider economic impact within the city of proceeding with the course proposed.

Sustainable Procurement and Article 19:

There are no direct sustainable procurement and Article 19 implications as a result of the content of this paper.

Risk Implications:

Internal Audit facilitates the reduction of risks identified during the audit process.

Implications for Glasgow City Council:

The Internal Auditors of Glasgow City 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 NHS Greater Glasgow & Clyde will continue to follow up on the recommendations arising from the reviews relating to NHS Greater Glasgow & Clyde.

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 (NHSGGC) 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 GCC and NHSGGC 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 relevant Internal Audit activity at these organisations since the last update to the IJB FASC in December 2024.

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. The table below shows the number of recommendations relevant, either directly or indirectly, to Social Work Services (SWS).

Audit Title	Opinion	Number and Priority of Recommendations			
		High	Medium	Low	SI*
Corporate Reviews:					
External Grant Funding	Reasonable	0	3	0	0
Attendance Management Compliance	Reasonable	0	4	0	0
Fees and Charges (note (i))	Limited	1	3	0	0
Travel Expenses	Reasonable	0	3	1	0
Risk Management Compliance (note (ii))	Reasonable	1	0	1	0
Credit Balance Controls	Bespoke ¹	0	4	0	0
Financial Services' Reviews					
Accounts Payable – Non Purchase Order Process	Reasonable	0	2	0	1
SAP – ERP Roles and Permissions (note (iii))	Reasonable	2	0	0	0

¹ Based on the work carried out we found no evidence of fraud or fraudulent activities within the scope of our review. The controls in place appear to be generally effective in mitigating significant risks related to fraud. However, we have identified certain areas where enhancements could strengthen the existing control framework.

Audit Title	Opinion	Number and Priority of Recommendations			
		High	Medium	Low	SI*
ERP Replacement Project Management and Governance	Satisfactory	0	1	0	0
Non-Domestic Rates Legislation Changes	Satisfactory	0	0	0	0
Social Work Services' Reviews:					
LSCMI Application Audit	Reasonable	0	2	0	0
TOTAL		4	22	2	1

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

3.3. Notes:

- Fees and Charges:** The high priority recommendation relates to the implementation of arrangements to ensure that systems reflect up to date charging rates. Implementation of this recommendation is not the responsibility of SWS.
- Risk Management Compliance:** The high priority recommendation highlights the need for the Council's Risk Management and Policy Framework to be updated to reflect the need for managers to actively manage treatable risks and agree a process for accepting risks that are tolerable, transferred or terminated. Implementation of this recommendation is not the responsibility of SWS.

- (iii) **SAP ERP Roles and Permissions:** There are two high-priority recommendations focused on maintaining appropriate segregation of duties and conducting regular reviews of user access. Implementation of these recommendations is not the responsibility of SWS.

3.4 Update on previously reported high/medium priority recommendations:

The table below details previously reported high and medium priority recommendations from the reviews undertaken within Glasgow City Council of relevance to the IJB. Three high/medium priority recommendations remain outstanding. Full details are in the table below.

Audit Title	Opinion	Number of Recommendations		
		High/ Medium Priority	Complete	Outstanding
Corporate Reviews				
Establishment Visits	Reasonable	2	2	0
Procurement – Non-Contract Spend (note (iv))	Reasonable	2	1	1
Leavers Process	Reasonable	1	1	0
IT Service Requests and Incident Management	Reasonable	1	1	0
Use of Agency Workers (note (v))	Limited	4	3	1
Social Work Services Reviews				
Section 22 Payments	Reasonable	3	3	0
SWS/Glasgow City IJB Governance Review (note (vi))	Reasonable	1	0	1
TOTAL		14	11	3

3.5 Notes:

- (iv) **Procurement Non-Contract Spend:** This recommendation relates to the establishment of retention procedures for evidence relating to non-contract orders. Work has progressed and once finalised, the new arrangements will be communicated to relevant officers. Implementation of this recommendation is not the responsibility of SWS. A revised implementation date of 31 May 2025 has been provided.
- (v) **Use of Agency Workers:** This recommendation relates to updating and sharing procedures and ensuring they are subject to regular review in future. The outstanding recommendation has been partially implemented, and SWS is awaiting updates to the corporate procedures before full completion of the recommendation. A revised implementation date of 30 June 2025, subject to the corporate guidance being completed.
- (vi) **SWS/Glasgow City IJB Governance Review:** This recommendation relates to Information Asset Owners. The implementation of the recommendation has been impacted by the departure of the previous

Chief Officer Finance and Resources and will be concluded following the restructure of the HSCP Leadership Team, including the start of the new Chief Officer Finance and Resources. A revised implementation date of 30 September 2025 has been included.

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
Waiting List Management (note (vii))	Minor Improvement Required	0	1	4	0
eHealth Project and Programme Management	Minor Improvement Required	0	0	5	0
TOTAL		0	1	9	0

- 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.

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.

- 4.3. None of the audits completed since the last update have been rated as 'immediate, major' improvement required.

- 4.4. Notes:

(vii) **Waiting List Management:** The grade 3 recommendation relates to the establishment of HSCP specific action plans to address the delivery of the services' waiting lists, and to introduce the central reporting of results to enhance oversight.

4.5. 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. These recommendations have now been implemented.

Audit Title	Report Classification	Number of Issues per Grading				
		Grade 4	Grade 3	Complete	Due	Not yet due
Hospital Discharges	Substantial improvement required	0	2	2	0	0
Sustainability and Value Programme	Substantial improvement required	0	2	2	0	0
TOTAL		0	4	4	0	0

5. Recommendations

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

- a) Note the content of the report.