

13 December 2017

Agenda Item: 5

REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT AND IMPROVEMENT

UPDATE ON ‘LIMITED ASSURANCE’ INTERNAL AUDIT REPORTS IN ADULTS’ SOCIAL CARE & HEALTH DEPARTMENT

Purpose of the Report

1. To accompany a presentation to Members concerning two ‘limited assurance’ Internal Audit opinions in the Adults’ Social Care and Health (ASCH) department, to enable the Committee to determine whether any further actions or updates are required.

Information and Advice

2. Members have requested to hear updates and further information concerning the implementation of agreed actions to address the issues set out in two recent internal audit reports.
3. Members discussed the 6-month progress report from the Internal Audit service at the previous meeting on 8 November 2017. This included a brief outline of the issues identified by the internal audit of the arrangements for **procurement and tendering** in the department (report ref. 2017-90, July 2017). It was resolved that the Committee hears an update on progress at its next meeting.
4. The Chairman of the Governance & Ethics Committee holds regular update meetings with the Service Director – Finance, Procurement & Improvement and the Head of Internal Audit. The Chairman was briefed on the internal audit of **direct payments** (report ref. 2016-50, November 2017) and he requested that the Committee hears further details of the positive actions being taken by the department to identify and tackle the fraud risks in this area of service.
5. Officers from the ASCH Department will be in attendance at the meeting, alongside the members of the Internal Audit service who carried out these pieces of work, to give a short presentation on each and to answer any questions Members may have.
6. Members are reminded that quarterly updates are presented to the Governance & Ethics Committee on all actions arising from Internal Audit’s recommendations. The actions relating to these two reports will be tracked through that procedure and Members will receive further updates on progress with their implementation.

Other Options Considered

7. No other options were considered as these updates were specific requests of Members.

Reason/s for Recommendation/s

8. To provide Members with the information they need to consider whether further actions or updates are required.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Crime and Disorder Implications

Some of the issues dealt with by these internal audit reports concern the risk of fraud perpetrated against the Council. The reports incorporate an assessment of how effective the arrangements are for addressing these risks in accordance with the Council's Counter Fraud and Counter Corruption Strategy.

Data Protection and Information Governance

The scope of Internal Audit's work includes the effectiveness of the Council's arrangements for protecting and managing information. Recommendations are raised wherever weaknesses are identified, but there were no significant issues in this respect arising from these audits.

Financial Implications

Many of the actions identified by these reports aim to secure good value for money for the Council and to minimise losses to fraudulent activity.

Implications for Service Users

Actions to improve value for money and to guard against losses to fraud all serve to maximise the funds available for the delivery of essential services.

RECOMMENDATION

1) That Members consider whether they require any further actions or updates relating to the steps being taken to address the issues identified in these two internal audit reports.

Nigel Stevenson

Service Director – Finance, Procurement & Improvement

For any enquiries about this report please contact: Rob Disney, Head of Internal Audit

Constitutional Comments (LM 01/12/17)]

10. The Governance and Ethics Committee is the appropriate body to consider the content of the report . Members should consider whether there are any actions they require in relation to the issues contained within the report.

Financial Comments (SES 28/11/17)

11. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Internal Audit report on each of the areas covered above.

Electoral Division(s) and Member(s) Affected

- All.