

## Appendix A – Audit Summaries

### Pre-paid Cards – Children's (2021/22 audit)

Audit opinion	Reasonable
---------------	------------

The audit reviewed the adequacy and effectiveness of controls for pre-paid cards within Children's Services to ensure that the scheme provides an effective and efficient means of delivering funds to meet service user needs. The audit also reviewed contract monitoring for all pre-paid cards, as there is a single provider for both Adults and Children's.

The pre-paid card contract is comprehensive and clearly sets out Council/provider roles and responsibilities together with service requirements in a logical order. Contract monitoring meetings had been held regularly with appropriate information provided in advance to inform the meeting.

The set-up process for access rights to the prepaid card portal is adequately controlled and the access rights we reviewed were appropriate to the role. However, there is no process in place to periodically review access rights.

We also found that the documented pre-paid card process for each of the three different services using the cards was missing some key elements of the process and evidence of undertaking mandatory client checks had not been retained by one team.

At the time of our fieldwork, monitoring of expenditure for Direct Payments clients had been paused due to competing priorities but this change had not been communicated to the Specialist Support and Disabilities Team.

We made five Priority 2 recommendations to improve the framework of controls as set out in the table below.

All recommendations have been accepted by management.

Recommendation	Priority	Recommendation accepted?
Performance Management	2	Yes
Roles and Responsibilities	2	Yes
Procedure Notes	2	Yes
Monitoring of expenditure on prepaid card	2	Yes
Completion and retention of documents	2	Yes

## **Cash and Bank**

Audit opinion	<b>Substantial</b>
---------------	--------------------

The overall objective of the audit was to review the effectiveness of controls in place to ensure income is received, allocated and banked accurately and intact.

The Cashiers service is provided by a contractor. There are Key Performance Indicators (KPIs) in place for the service which are reviewed monthly by the Revenues and Benefits Manager. The service is currently meeting or exceeding all KPI targets.

Cashiers' procedures are readily available to staff and sampled income received via bank, cheques, telephone, internet and cash had been recorded and processed accurately and intact.

However, we identified that the Corporate Finance Team is currently not reconciling income received by the Council although some compensating reconciliations are in place.

We made one Priority 2 and three Priority 3 recommendations to improve the framework of controls as set out in the table below.

All recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Reconciliation of income	2	Yes
Delay in banking	3	Yes
Money Laundering Policy	3	Yes
Key storage	3	Yes

## **Capital Planning, Strategy and Monitoring**

Audit opinion	<b>Reasonable</b>
---------------	-------------------

The overall objective of the audit was to review the effectiveness of controls over the planning, budgeting and monitoring of the Capital Strategy and Programme to confirm they reflect Council priorities with regular updates provided to the Executive and full Council.

The Capital Strategy meets the key requirements of the Prudential Code and there is a clear governance structure for reviewing and approving the Capital Strategy and associated programme. There was also evidence for all bids in our sample that they had been subject to scrutiny at the relevant Committee before being accepted. Sampled amendments to the Capital Programme had been reviewed and approved by Executive. Monitoring reports contain clear and granular information.

We found however that internal policies and procedures require strengthening, with the provision of further detail to ensure that all officers are fully aware of the process together with roles and responsibilities. In conjunction with this, we also found that the pre-Committee internal stages of the capital bid process had not been followed for half of the bids in our sample.

Whilst assumptions on the annual value of new schemes, the timing and value of capital receipts and other matters are clearly set out in the Capital Financing statement, no sensitivity analysis is currently performed on these assumptions to assess the risk and possible impact if these assumptions do not materialise.

We raised three Priority 2 and three Priority 3 recommendations, all of which have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Documenting of bid / scheme information	2	Yes
Policies and Procedures	2	Yes
Sensitivity Analysis	2	Yes
Actual Spend Monitoring	3	Yes
Capital Strategy report	3	Yes
Data reconciliations	3	Yes

### **Net Zero**

<b>Audit opinion</b>	<b>Reasonable</b>
----------------------	-------------------

The overall objective of the audit was to review the adequacy of the Council's approach towards achievement of Net Zero, including the deliverability of identified actions.

Failure to adapt Council services to the changing climate is included on the Corporate Risk Register and the majority of identified controls were evidenced as being in place, although some controls and actions require further review.

The Net Zero plan is comprehensive and performance against the Net Zero target is monitored, measured and appropriately reported. Controls are in place to ensure completeness, accuracy and timeliness of data capture to facilitate monitoring and reporting.

The size of the Carbon Management team has recently reduced due to staff vacancies. In order to ensure continued traction we have recommended that management assess the actions required against available skills and resources to ensure that these can be delivered. We also found that the impact on Net Zero targets of the Council's proposed office relocation had not yet been considered.

We raised three Priority 2 recommendations to further improve controls, all of which have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Resources	2	Yes
Building emissions	2	Yes
Risk Registers	2	Yes

### **Public Health Covid-19 response – Lessons Learned**

<b>Audit opinion</b>	<b>Reasonable</b>
----------------------	-------------------

The overall objective of the audit was to ensure that lessons learned from the Council's Public Health response to the Covid-19 pandemic have been identified and controls put in place to mitigate the risk of the Council being unable to respond effectively in future.

We found that within the Public Health Directorate, initial lessons learned were identified and addressed promptly during the pandemic. The joint working to support care settings resulted in the recognition of a National 'Care and Health Integration Award'.

The report written by the Director of Public Health on Public Health management of the Covid-19 pandemic prioritised three key lessons for the future for the Council. Data provided in the report was robust and accurate.

Public Health officers undertook interviews with key officers throughout the Council who were involved in providing the Council's response during the pandemic. These interviews also identified lessons learned, some of which related to individual Directorates and some which had a Council-wide focus.

We were unable however to find evidence that the three key lessons learned for the future for the Council, prioritised in the Director of Public Health's report, had been actioned and tested for adequacy across the Council, or that each of the lessons learned suggested in interviews by key officers had been evaluated and either accepted or rejected. One interview did not take place and so it is not known what, if any, suggestions of lessons learned were identified by that key officer.

In total we made two Priority 2 recommendations and one Priority 3 recommendation, as set out in the table below. The Priority 2 recommendations were accepted and the Priority 3 has been pursued as far as possible.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Lessons learned not actioned or tested across the Council	2	Yes
Evaluation of all suggestions of lessons learned	2	Yes
Lessons learned not provided by key officer	3	No

### **Quality Assurance Framework (Children's)**

<b>Audit opinion</b>	<b>Reasonable</b>
----------------------	-------------------

The overall objective of the audit was to review the effectiveness of the arrangements in place to assure quality of practice and a safe service.

Our audit highlighted areas of good practice and sound controls. We found that the Quality Assurance Framework and Timetable incorporate both internal and externally commissioned workstreams. There is a robust reporting mechanism to the Performance Improvement Board encompassing further independent challenge by the Chair.

Thematic findings are disseminated, in detail, to staff through the 'Getting to Excellence' training seminars which take place approximately every six weeks. The majority of templates used for the Quality Improvement process invite the reviewer to comment on strengths or excellent practice, and these have been well used. Additionally, overarching reports included commentary on strengths identified.

However, return rates of the Practice Reviews were low for some cycles, and the mechanism for ensuring actions and recommendations emanating from Requires Improvement and Inadequate gradings and overarching reports requires review.

The current file management system was found to be ad hoc in nature, both in terms of file structure and documentation held and requires realignment. We also identified that the approach to Practice Review form completion is not standardised, which could lead to inconsistencies and oversights.

We made two Priority 2 and one Priority 3 recommendation to improve the framework of controls as set out in the table below. All recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Considerations for six month review	2	Yes
Strategic File Management	2	Yes
Practice Review Forms – Standardisation of Completion	3	Yes

## **Edgebury Primary School**

<b>Audit opinion</b>	<b>Reasonable</b>
----------------------	-------------------

The overall objective of the audit was to review the adequacy and effectiveness of the system of controls surrounding the financial administration of the school.

Our audit highlighted areas of good practice and sound controls including utilisation of reports from the Financial Management System (FMS) to support the financial management of the school, management of purchasing card and governance arrangements including budget approval.

However, we identified that sixteen IT assets were missing at the time of the audit. The School Business Manager (SBM) informed us that these assets were taken by staff without signing a loan card during the pandemic and have not been returned, and the school is unable to locate these assets. The SBM has advised that these devices have now been disabled by the school's IT Contract Technician and have agreed to be written off by the Governors at the finance committee meeting held on 6th July 2022.

Regarding expenditure, we found that purchase orders had not been raised for some invoices in our sample and three quotations had not consistently been obtained for expenditure over £5000, as required by Schools Financial Regulations. We also found that IR35 assessments had not been completed for individuals who were not on the payroll. Declaration of interest forms had not been completed by Governors and relevant staff for the academic year 2021/22.

We made one Priority 1, three Priority 2 and two Priority 3 recommendations to improve the framework of controls as set out in the table below.

All recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Missing IT assets	1	Yes
Expenditure process	2	Yes
Payment to individuals & HMRC regulations (IR35)	2	Yes
Declarations of interest	2	Yes
Contract Register	3	Yes
Petty cash	3	Yes

### **Quality Assurance Framework – Adults Advisory**

We carried out a desktop review to assist the Quality Assurance Function in mitigating risk from hereon in.

We raised recommendations which included ensuring that the Timetable demonstrates sufficient coverage from which to form an opinion as to the quality of practice. We advised that staff undertaking the Quality Assurance role should have sufficient technical knowledge and auditor skills and recommended that this function be supported by a moderation process to ensure consistency. Staff engagement throughout the process (fieldwork and reporting), would ensure dissemination of both learning and good practice, and support continuous improvement. This should include Senior Management oversight and ownership of actions.

We recommended that the Department consider how the Social Care Case Management System could be used as a tool going forward to support the Quality Assurance process.

### **SEN Transport – Advisory**

We worked alongside the SEN Transport Team to review current working practices and prepare for the roll out of new initiatives.

We considered three areas of workflow, contracts, finance (payment of invoices and supporting documentation) and application/eligibility checking. Progress had been made to review and revise working practices since the move from Central Depot, the restructure and appointment to new posts. There were several workstreams that remain “Work In Progress” as the service start the process of implementing the new Education Travel Assistance Policy following the adoption of the policies after consultation.

We made some advisory recommendations which included development of procedure notes, formalising communication with SEN colleagues to give an adequate audit trail, improvements to the master spreadsheet to allow reconciliations and mitigate the risk of lost or corrupt data and completing quality assurance checks on the contracted providers.

The Team are considering changes to the delivery of SEN Transport. We have advised that the Assistant Director Governance and Contracts and the Strategic Commissioner for the service will need to be consulted on all matters relating to the procurement of services and the current framework agreement.

The Head of Service commented that *“I welcome the report and findings and we will endeavour to continue to improve practices and assurance”*.

**Adult Weight Management Services grant determination 2021 – 2022 [31/5440]**  
**- £88,608**

Audit opinion	The evidence seen by Internal Audit demonstrates that the grant conditions have been met
---------------	--

Based on discussions with officers and a review of the records held, Internal Audit has gained reasonable assurance that the conditions of the grant determination have been met for the £88,608 spend.

As a result of the testing, one recommendation was made to ensure full compliance with the grant conditions at the 26 week follow up stage and to enable a greater degree of assurance over the spend.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Data collection and submission	Advisory	Yes