

## Appendix A – Audit Summaries

### **Sickness Management (fieldwork Quarter 3 2022/23)**

Audit opinion	<b>Reasonable</b>
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The audit reviewed the adequacy and effectiveness of the Council's management of sickness absence, including returning to work and reporting arrangements.

Our audit highlighted areas of good practice and sound controls including that managers were aware of the Managing Employee Ill Health Procedure and were confident to keep in touch with members of staff during of sickness absences by various methods. Recommendations made by Occupational Health had been actioned by line managers.

Our review found however that the 'Managing Employee Ill Health Procedure' was last reviewed in 2020 and requires updating to ensure alignment with current desired practice. Not all managers had completed the mandatory sickness management training and 'return to work' forms had not consistently been completed or retained.

There were also some data quality issues across a small number of cases including incorrect line manager detailed on the system, sickness absence not entered timely or no reason provided for sickness absence.

We made five priority 2 recommendations and three priority 3 recommendations as set out in the table below.

All recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Procedures	2	Yes
Training	2	Yes
HR Management System	2	Yes
Key Performance Indicators	3	Yes
Contract Monitoring	3	Yes
Return To Work	2	Yes
Audit Trail	2	Yes
Reason For Absences	3	Yes

## **Governance of Partnerships - Housing Schemes (fieldwork Quarter 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective was to review the adequacy of governance arrangements to ensure these cover all key risks and liabilities and can provide assurance that the partnerships are delivering their objectives.

Our audit highlighted areas of good practice and sound controls. We found that the Governance structure is set out in the Limited Liability Partnership Agreement suite of documentation. Executive and Operational Board meetings are held regularly and the format is structured. Minutes and supporting papers are available. A suite of Key Performance Indicators is in place and risks to the schemes are documented and kept under review.

Lessons learnt from Phase 1 have been implemented to accelerate the conveyancing process and progress is monitored.

However, we noted that neither of the schemes reviewed benefit from the ongoing Monitoring/Oversight equivalent of a Contract monitoring function to ensure that all duties are discharged and standards are met.

Understanding is not consistent as to the parameters of the Operational Board's responsibility and escalation process, specifically that for Key Performance Indicator outturns.

We also identified that the LBB Executive Board members do not currently satisfy themselves, on an annual basis, that all relevant insurance policies are in place with an acceptable level of cover and that premiums have been paid to date.

We made one priority 2 and one priority 3 recommendation to improve the framework of controls as set out in the table below.

Both recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Governance – Roles and Responsibilities	2	Yes
Governance – Record Keeping/Good Practice	3	Yes

## **Houses of Multiple Occupation (HMO) Licensing (fieldwork Quarter 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review the effectiveness of controls over the management and oversight of Houses of Multiple Occupation.

There is a Housing Enforcement Policy in place which outlines the obligations of the Housing Team concerning Housing complaints, including procedures regarding HMO properties. There is also sufficient guidance available to tenants and landlords on the Council's website.

In all cases sampled, the correct fee had been received before the license was processed. We did note however that there is currently no reconciliation between the licensing system and the financial system to identify any missing or inaccurate payments. Testing further identified a small number of cases where a refund had not been processed for applications that had been refused.

In order to ensure that licenses are appropriately issued, independent secondary check should be undertaken at two key decision points (proposal to license and decision to license). In approximately half of cases, evidence of this quality assurance process had not been retained. We also found that in three out of ten cases sampled, evidence of the license signed by the approver had not been saved on the licensing system.

We have raised four priority 2 recommendations, all of which have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Approval of HMO Licenses	2	Yes
Reconciliations	2	Yes
Refunds	2	Yes
Independent secondary checks	2	Yes

## **Revenue Budget Monitoring (fieldwork Quarter 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to assess the adequacy and effectiveness of internal controls regarding revenue budget monitoring practices.

We found that Financial Regulations contain sufficient information on accounting arrangements relevant to budget monitoring. This includes strategic responsibilities, system and procedures and the scheme of virement.

There is a budget monitoring timetable in place which sets out the information and sign offs required before reports are presented to the relevant Committee. The sample of budget monitoring reports to Members that we reviewed displayed frequent and informative budget reporting to assist Members in understanding the financial landscape of the Council and therefore to make decisions.

During the course of the 2022/23 financial year, the budget monitoring module of the Council's financial system was not available to budget managers and consequently, alternative workarounds were in place. We found that further support and guidance to budget managers during this period would have been beneficial, in addition to more standardised processes across the Council. We also found that 4 of our sample of 5 new budget managers had not attended the mandatory budget management course.

We have raised two Priority 2 recommendations, both of which have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
New budget holder training records	2	Yes
Budget tools	2	Yes

## **Complaints (fieldwork Quarter 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review the effectiveness of controls over the management and oversight of complaints. The scope of the audit was authority wide.

We found that overall, the framework was well-designed. Sufficient information is available to both public and staff, albeit the Complaints Policy was last reviewed in 2017.

There are also clear lines of accountability and reporting. All complaints reviewed had an allocated officer and weekly status reports are sent to service areas across the Council. Quarterly reporting to Leadership Team includes detailed data and analysis of lessons learned.

The Council deals with Environment and Public Protection (EPP) complaints separately to Corporate Complaints, although there is a singular quarterly report covering both.

There were some inconsistencies in the way that cases were handled between the two areas and some cases sampled where the process set out in the policy had not been fully followed. For EPP, this included that the majority of cases sampled had not been acknowledged within three working days. Across all areas, whilst the majority of cases had been responding to within, or shortly after, 20 working days, there is a need to ensure that a holding reply is sent where the full response will take longer than 20 working days. There were also some cases where data held on the system, in terms of dates, did not align to the underlying information. We have raised recommendations to address all of these inconsistencies.

In total we made five Priority 2 recommendations and two Priority 3 recommendations, as set out in the table below. All recommendations have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Recording of EPP Complaints	2	Yes
Neighbourhood Management Complaints Acknowledgement	2	Yes
Recording and Acknowledging Complaints - Corporate	2	Yes
EPP Responses	2	Yes
Corporate Complaints and Ombudsman Responses	2	Yes
Review of Corporate Complaints Policy	3	Yes
Neighbourhood Management Log	3	Yes

### **Virtual School (fieldwork Quarters 3 and 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review the Council's arrangements for using the Pupil Premium Plus (PP+) funding for looked-after children (LAC), provision of information and advice to children previously looked after and information sharing and security.

We placed some reliance on an independent review carried out prior to our fieldwork. This identified a number of strengths including high quality Personal Education Plans (PEPs), good use of data to inform practice and strong support provided to schools which is valued by headteachers and which has helped improve attendance.

Virtual School staff demonstrated that they robustly monitor school attendance for children with a Child Protection Plan and evidenced appropriate action they had taken where their review of attendance data highlighted concerns.

Pupil Premium Plus (PP+) funding was spent in accordance with the statutory guidance published by the DfE and there is a robust process in place to assess whether PP+ should be paid directly to the school for individual LAC. Grant funding for the extension of the Virtual School Head role to all children with a social worker had been spent in accordance with DfE guidance and the Council had complied with associated reporting conditions.

However, we identified that PP+ payments had not been made to schools for In-Borough Looked After Children for the Summer term 2022 and this omission had not been identified by the Schools Finance service provider or the Council. (This has now been rectified).

There are also insufficient controls in place to ensure that vouchers issued to purchase laptops for children are fully spent in accordance with the intended purpose, and there was insufficient evidence to support that one to one tuition had been delivered as invoiced and paid for one child in our sample.

We made 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>
PP+ payment process	2	Yes
Laptop Vouchers	2	Yes
Tuition for LAC	2	Yes
Website	3	Yes
Information security arrangements	3	Yes

### **Referral and Assessment (fieldwork Quarters 3 and 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review the referral and assessment process to ensure clients' needs are effectively assessed and addressed to achieve personal outcomes.

Our audit highlighted areas of good practice and sound controls. There is a designated performance team to generate system reports and data is reconciled to ensure all cases are accounted for. There are formalised working groups to discuss and monitor performance reports. The Operating Procedures were finalised in January 2023 and online practice guidance is available to all staff.

For the Initial Contact Team (ICT) we found that there were no specific procedures, there was a lack of clarity around the completion of the contact template, not all ICT activity was captured and there was no process to monitor quality and consistency.

An exception report highlighted a significant number of cases where ‘temporary’ data, such as Date of Birth and postcode, was held. We passed this to the service to review and cleanse the data.

There was no evidence that the Full Care Act Assessment (FCAA) had been shared with the service user for 16 out of 20 FCAAs tested. We also found sections in the FCAA that lacked clarity, specifically the start and end dates which limited effective monitoring of assessment targets. We also identified that some teams are still using standalone spreadsheets to monitor assessments pending rather than the system.

We made seven Priority 2 recommendations, all of which have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Initial Contact Team (ICT) – Procedures	2	Yes
ICT – Capturing activity and performance	2	Yes
ICT – Address checker, basic demographic information and GDPR	2	Yes
Full Care act Assessment (FCAA) – Issue of completed assessments to the service user	2	Yes
FCAA -Dates and Authorisation	2	Yes
FCAA – Checks and ambiguous questions	2	Yes
Allocations pending and reconciliation	2	Yes

### **Adult Social Care Residential Placements (fieldwork Quarters 3 and 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review the effectiveness of controls for the placement of adults in residential care, to ensure that placements are made timely, taking into account the needs and wishes of the client whilst also being cost effective.

We found that prior to making a placement the client’s needs and wishes are considered as part of the assessment process and residential care was the

appropriate option, following assessment. There was sufficient information in the assessment and any specific health needs, or conditions, had been identified.

Furthermore, procedures for the Central Placement Team to follow are available on the Team’s Sharepoint site, with a named owner and future review date.

Our review highlighted the following areas for development:

- Identifying and addressing any placements which have not been made timely.
- Ensuring that the client’s family are made aware of the placement process and arrangements for paying for care.
- Recording information on the social care system, including identifying and escalating actions required.
- Reviewing the due diligence process for engaging new providers of residential placements and deciding where the information on checks carried out should be stored.
- Reviewing the accuracy, completeness and availability of information about current and previously used residential care providers.

In total we made five Priority 2 recommendations to improve the framework of controls, as set out in the table below.

All the recommendations made were accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Placing clients timely	2	Yes
Explaining the placement process to the family prior to the placement	2	Yes
Accuracy of information recorded, and action taken, including escalation procedures	2	Yes
Procedures and checks when engaging new providers for residential placements	2	Yes
Accuracy and completeness of the records of providers	2	Yes

### **Appraisals (fieldwork Quarter 4 2022/23)**

Audit opinion	<b>Reasonable</b>
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The objective of this audit was to review the effectiveness of the appraisals process, including the quality of appraisals undertaken.

Our audit highlighted areas of good practice and sound controls. The sample of staff we interviewed who had an appraisal in the last 12 months confirmed that they were



satisfied with the discussion at their appraisal meeting which included performance assessment of previous objectives and feedback, objective setting, and identification of training and development needs.

An appraisal framework is available with written guidelines to ensure the relevant areas are covered and training is available to both staff and managers on the appraisal process. All managers and staff are required to complete mandatory 'Discuss' training as part of the Council's induction process and every two years after that. However, Learning and Development, on interrogation of their systems, advised that a number of staff and managers have not completed the training in last two years.

Appraisals had not been completed for 25% of staff in our sample in the last 12 months. Of the appraisals completed, some managers did not record the appraisal outcome on the HR system and some managers did not confirm if they had recorded the outcome on the HR system.

The HR system that was in place at the time of our audit had limited functionality to record appraisal outcomes, retain appraisal documents and report on completion of appraisals.

Some discrepancies were also noted between the online training and the Discuss guidance.

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.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Training content	2	Yes
Guidance	2	Yes
Recording and reporting of appraisals on the HR system	2	Yes
Completion and recording of Appraisal	2	Yes
Training completion	2	Yes

**Quality of Placements (External) – Children’s Social Care (fieldwork Quarter 1 2023/24)**

Audit opinion	<b>Reasonable</b>
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The overall objective of the audit was to review how the Council receives assurance on the quality of Children’s Social Care external placements. Our testing focussed on Semi-Independent and Residential Care Placements.

Our audit highlighted areas of good practice and sound controls. We found that Placement Commissioning Checklists and Trackers were available for all cases sampled and the process for ensuring ratification of the placement at Panel is effective.

Reporting on Quality Assurance site visits as part of the Compliance function is comprehensive. Action Plans are agreed with the provider and a follow up process is in place.

However, we could not evidence the ‘Golden Thread’ through the Quality Assurance Framework functions to ensure the adequacy of the Framework as a whole and that there is no duplication or gaps in the checks required. Sample testing identified some gaps where we could not evidence that checks had either been completed or deemed as not relevant.

We noted that the Procedure notes for the function were last updated on 5<sup>th</sup> June 2019 were at high level and consisted primarily of flow charts. Additionally they do not include the more recent Contract Compliance function. We do, however, acknowledge that the department has identified this as an area for further development.

We made two priority 2 recommendations to improve the framework of controls as set out in the table below. Both of these have been accepted by management.

<b>Recommendation</b>	<b>Priority</b>	<b>Recommendation accepted?</b>
Governance and Quality Assurance	2	Yes
Policy and Procedures	2	Yes

### **Housing Options and Advice – Follow up (fieldwork Quarter 4 2022/23)**

This audit followed up implementation of the four recommendations made in our audit report of 20<sup>th</sup> January 2022.

We saw evidence of refreshed procedures and both internal and external training delivered for Housing Options staff. The level of performance monitoring has increased and work has commenced on reviewing the information available for the website.

We saw confirmation that Housing Options staff have been reminded of their Data Protection and Confidentiality responsibilities and the need to obtain the agreement of Applicants to their Personal Housing Plan.

Recommendations 1 and 2 are considered partially implemented. Recommendations 3 and 4 are fully implemented and have been closed.

<b>Recommendation</b>	<b>Priority</b>	<b>Implementation Status</b>
Online Information	2	Partially Implemented
Quality Standards Framework and management oversight of cases	2	Partially Implemented
ID/Passwords/Security Question and Answer	2	Fully Implemented
Agreement of the Applicant to the Personal Housing Plan	3	Fully Implemented

**Operational Property Repair Programme (fieldwork Quarter 4 2022/23 and ongoing)**

In 2022, the Strategic Property division undertook a review of the Council's operational property estate. On the conclusion of the review, full Council agreed in December 2022 to adopt the Operational Estate Strategy and authorise officers to progress associated workstreams, including scoping and costing works packages.

Subsequently, the Council set up an Operational Property Review Programme Board to oversee this Programme, "review progress of the programme and projects, scrutinize expenditure and approve decisions in relation to the programme and projects".

We undertook a 'health check' review of the governance framework at the outset of the programme, to ensure that arrangements are robust and fit for purpose to support delivery. Overall, we found that the structure was sound. We provided some suggestions for further clarity / improvement, all of which were accepted and implemented by managers.

We will maintain a watching brief / consultancy review on this Programme throughout 2023/24.

**Adult Education**

A planned audit of Adult Education Centre was included within the 2022/23 Internal Audit Plan. However, we decided to place reliance on the quality review undertaken by independent consultants in November 2022.

This review considered leadership and management, quality improvement plan, teaching and learning, and safeguarding and provided detailed feedback on both strengths and areas for further development. A further external inspection is likely in 2023/24.

**Mayors Charity - Advisory**

We undertook a brief review to assist officers with ensuring there are robust financial controls over the Mayor's Charity account. Recording of transactions and retention of documentation was sound. We made some recommendations to further enhance controls, in particular over receipt and banking of income.

**Supplementary Substance Misuse Treatment and Recovery Grant 2022-23 [31/6169] - £264,343**

Audit opinion	The evidence seen by Internal Audit demonstrates that the grant conditions have been met
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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 £205,370 spend. As a result of the testing, the following recommendation

was made to improve the control environment. This recommendation does not materially affect compliance with the grant conditions but would enable a greater degree of assurance over the spend.

Recommendation	Priority	Recommendation accepted?
Invoices from Third Parties to Contractors	Advisory	Yes

**Biodiversity Net Gain grant determination 2022 – 2023 [31/6499] - £30,251**

Audit opinion	The evidence seen by Internal Audit demonstrates that the grant conditions have been met
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We did not make any recommendations as a result of our work.