

Date: 18 June 2021  
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**TO: MEMBERS OF THE EAST RENFREWSHIRE INTEGRATION JOINT  
BOARD PERFORMANCE AND AUDIT COMMITTEE**

Dear Colleague

**PERFORMANCE AND AUDIT COMMITTEE – 23 JUNE 2021**

Please find attached the undernoted item marked “to follow” on the agenda for the meeting of the Performance and Audit Committee on Wednesday 23 June 2021.

Yours faithfully

**Anne Marie Monaghan**

Chair

**Undernote referred to:-**

Item 10 - Audit Update

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**AGENDA ITEM No.10**

<b>Meeting of East Renfrewshire Health and Social Care Partnership</b>	Performance and Audit Committee
<b>Held on</b>	23 June 2021
<b>Agenda Item</b>	10
<b>Title</b>	Audit Update
<b>Summary</b>  This report provides Performance and Audit Committee with an update on:- <ul style="list-style-type: none"><li>a. Audit activity relating to IJB undertaken from January 2020 (Appendix 1)</li><li>b. Audit activity relating to HSCP undertaken from January 2020 (Appendix 2)</li><li>c. Care Finance Audit (Appendix 3)</li><li>d. Future reporting arrangements</li></ul>	
<b>Presented by</b>	Lesley Bairden, Chief Financial Officer (Head of Finance and Resources)
<b>Action Required</b>  Performance and Audit Committee are asked to note and comment on the report.	

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# **EAST RENFREWSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP**

## **PERFORMANCE AND AUDIT COMMITTEE**

**23 June 2020**

**Report by Chief Officer**

### **AUDIT UPDATE**

#### **PURPOSE OF REPORT**

1. This report provides Performance and Audit Committee with an update on:
  - a. Any audit activity relating to IJB undertaken from January 2020 (Appendix 1)
  - b. Any audit activity relating to HSCP undertaken from January 2020 (Appendix 2)
  - c. Care Finance Audit (Appendix 3)
  - d. Future reporting arrangements

#### **RECOMMENDATION**

2. Performance and Audit Committee are asked to note and comment on the report.

#### **BACKGROUND**

3. East Renfrewshire Council's internal audit service undertake the internal audit role for the Integration Joint Board. The Chief Auditor of East Renfrewshire Council was formally appointed to this role by the Integration Joint Board on 7 October 2015. Audit Scotland also undertake an audit of the IJB Annual Report and Accounts and produce an action plan should they have any recommendations.
4. To date we have only reported to Performance and Audit Committee on audits specifically relating to the IJB or those of particular interest, i.e. the Care Finance audit. The Performance and Audit Committee last received an audit actions update in November 2019 on the IJB Governance and Care Finance Audits as this was the last committee meeting pre Covid-19 changes to frequency and a minimised agenda approach. The Audit Scotland Action Plan was discussed as part of the Annual Report and Accounts for 2019/20 brought to Performance and Audit Committee in June and September 2021. An update on the Care Finance audit is included in appendix 3 and the Audit Scotland recommendations which remain open are included in appendix 1. All actions relating to the IJB Governance audit are considered complete.
5. Moving forward we intend to report on all audit activity for both the Integration Joint Board and the Health and Social Care Partnership. In addition to the actions included in this report we are working with our Internal Audit colleagues to agree the status of older recommendations that are still considered open and we will include this information in the next report to Performance and Audit Committee.
6. We have not included those actions we previously considered closed but recognise this is subject to agreement by Internal Audit pending follow up work. Similarly the updates in this report show where we now consider an action closed.

7. Both East Renfrewshire Council and NHSGGC undertake internal audits which impact on the Health and Social Care Partnership. HSCP audit activity relating to Council activity is reported to the Council's Audit and Scrutiny Committee and those relating to NHS are reported to the NHSGGC Audit Committee. The NHS committee is a private committee therefore papers are not publicly available, however HSCPs are notified of any NHS internal audits which impact on HSCP services.
8. It should be noted that with the exception of audit activity specifically relating to the IJB, internal audits undertaken which have recommendations for the HSCP are not being presented for comment or challenge but instead to provide assurance that the required recommendations are being met.
9. East Renfrewshire Council's internal audit assign the following risk ratings to their findings:

<b>High</b>	<ul style="list-style-type: none"> <li>• Key controls absent, not being operated as designed or could be improved and could impact on the organisation as a whole.</li> <li>• Corrective action must be taken and should start immediately.</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>• There are areas of control weakness which may be individually significant controls but unlikely to affect the organisation as a whole.</li> <li>• Corrective action should be taken within a reasonable timescale.</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>• Area is generally well controlled or minor control improvements needed.</li> <li>• Lower level controls absent, not being operated as designed or could be improved</li> </ul>
<b>Efficiency</b>	<ul style="list-style-type: none"> <li>• These recommendations are made for the purposes of improving efficiency, digitalisation or reducing duplication of effort to separately identify them from recommendations which are more compliance based or good practice.</li> </ul>

10. NHSGGC internal audit function is undertaken by Azets. They assign the following risk ratings to their findings:

<b>4</b>	<ul style="list-style-type: none"> <li>• Very high risk exposure - major concerns requiring immediate senior management attention.</li> </ul>
<b>3</b>	<ul style="list-style-type: none"> <li>• High risk exposure - absence / failure of key controls.</li> </ul>
<b>2</b>	<ul style="list-style-type: none"> <li>• Moderate risk exposure - controls not working effectively and efficiently.</li> </ul>
<b>1</b>	<ul style="list-style-type: none"> <li>• Limited risk exposure - controls are working effectively but could be strengthened.</li> </ul>

## REPORT

### Audit Activity relating to the Integration Joint Board Audit

11. In September 2019, the Internal Audit Annual Plan was presented to the Performance and Audit Committee and the objectives for the audit of Risk Management agreed. This is the first occasion that this area has been the subject of an audit.
12. The review which was concluded in February 2020 covered the following key control objectives:
  - Risk management policy and strategy is adhered to
  - Risk registers are regularly updated and reported to IJB
  - Actions noted as being required to mitigate risks are SMART
  - Actions in place to mitigate risks can be evidenced
  - Risk ratings appear reasonable in light of actions in place and after further proposed actions are taken to mitigate risks further

13. Findings were minor and categorised as low risk. There were a total of 4 recommendations which were accepted by the IJB. Full details of which can be found at appendix 1.
14. In addition to the IJB internal audit function, Audit Scotland also produce an annual audit action plan that comes from the annual report and accounts. The action plan relating to the 2019/20 annual report and accounts is included at appendix 1 however this will be superseded by the 2020/21 action plan upon the final audit. From the original 5 actions, only one is still considered open by Audit Scotland. This is in relation to financial sustainability. Details can be found at appendix 1B.

### **East Renfrewshire Council Internal Audit Activity relating to the Health and Social Care Partnership**

15. Since January 2020 three audits have been undertaken by the Council's internal audit team which impact on the HSCP. It should be noted that in some cases these are Council wide audits. We have therefore only included the recommendations which relate specifically to the HSCP (Appendix 2)
16. The **Procurement Red Flags** audit covered the following key control objectives:
  - Adequate checks are carried out that work has been done to required standards before invoices are paid
  - Invoices are paid at prices/rates that can be agreed to the contract
  - There is adequate segregation of duties between setting of technical specifications and checking of those submitted
  - There are adequate validation checks on qualifications/standards etc in tenders submitted
  - Where VAT is charged on invoices a valid VAT number is shown
  - There is effective categorisation of spend in the ledger
  - Single tender applications are approved by senior management and have a valid reason.
17. As this was a council wide audit, a sample of 5 contracts was selected from across Council departments. Whilst there was some recommendations specific to certain contracts, the recommendations which are applicable to the HSCP are more general in nature and have been made to Directors of all Council Departments. These were all deemed as low risk.
18. The HSCP partially accepted these recommendations and considers these to have been implemented.
19. The **DPA and GDPR** audit covered the following key control objectives:
  - The six data protection principles are adhered to that regulate when and how personal data should be processed
  - Data Protection Governance Arrangements comply with policy
  - Data Protection Impact Assessments (DPIAs) are carried out where appropriate using the correct template
  - Where a third party processes personal data on the Council's behalf, there is a written agreement
  - Information Asset Register requirements per the Data Protection Policy are being met
  - Council application forms include appropriate wording relating to GDPR
  - All relevant employees have attended GDPR training annually and that they are provided with guidance, and procedures to aid compliance
  - Records management processes are in place for managing both electronic and manual records containing personal data.

20. This was also a Council wide audit however contained 5 recommendations applicable to the HSCP. Whilst most of the recommendations are being progressed, this has been delayed due to Covid-19.
21. The **Carers** audit covered the following objectives:
- All carers who have been assessed have received an assessment which complies with the Carers Eligibility Framework
  - There is evidence that carers are fully consulted on their preferred support mechanism (selected from four self-directed support options)
  - Support review dates are set and monitored for all carers
  - There is evidence that carers are encouraged to access mainstream public services and local community services
  - Carers eligibility to support is recorded on the client record system as appropriate
22. This audit was undertaken during Covid-19 restrictions therefore internal audit were limited in the checks they could perform. A total of 5 recommendations were made which were categorised as medium or low.
23. All recommendations for the above noted audits can be found at Appendix 2. Whilst we consider some of these actions to be complete these have yet to be verified by internal audit.
24. In addition to these recent audits we have recommendations from previous audits which are still considered open by internal audit or require action.
25. We acknowledge that whilst some this follow up work would have progressed in 2021 had it not been for the pandemic, it is recognised that audit has to be an areas of work HSCP we've not made the progress we had hoped and we're planning in follow up work over the coming year. Whilst pandemic has hampered our progress, the HSCP acknowledge that there is working outstanding from prior to the start of the pandemic audit recommendation needs to be an area of focus.

### **NHS Internal Audit Activity relating to the Health and Social Care Partnership**

26. NHSGGC Audit Committee is taken in private and whilst an annual report is shared with the IJB Chief Auditor, this is NHS wide and does not include detail at partnership level. We would however be notified of any recommendations specifically relating to East Renfrewshire HSCP. There are no outstanding actions at this time.

### **Future Reporting**

27. As mentioned earlier in the report, in future we will provide an overview of all new audit activity for both the Integration Joint Board and the Health and Social Care Partnership along with a summary of all recommendations still considered open.

### **CONCLUSIONS**

28. As the HSCP moves towards recovery focus will return to ensuring strong compliance and control.
29. Moving forward any new audits undertaken will be reported to the next available meeting of the Performance and Audit Committee.
30. To provide assurance of control an appendix of all open audit recommendations will also be included to enable oversight of previous audits and demonstrate progress.



## **RECOMMENDATIONS**

31. Performance and Audit Committee are asked to note and comment on the report.

## **REPORT AUTHOR AND PERSON TO CONTACT**

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June 2021

Chief Officer, IJB: Julie Murray

**BACKGROUND PAPERS:** PAC PAPER: 27.11.2019 - Audit Actions Update

[https://www.eastrenfrewshire.gov.uk/media/1985/Performance-and-Audit-Committee-item-06-27-November-2019/pdf/Performance\\_and\\_Audit\\_Committee\\_Item\\_06\\_-\\_27\\_November\\_2019.pdf?m=637356832021000000](https://www.eastrenfrewshire.gov.uk/media/1985/Performance-and-Audit-Committee-item-06-27-November-2019/pdf/Performance_and_Audit_Committee_Item_06_-_27_November_2019.pdf?m=637356832021000000)

**APPENDIX 1**  
**INTEGRATION JOINT BOARD INTERNAL AUDIT ACTIVITY**

Audit of Risk Management

<b>Ref / Risk Rating</b>	<b>Recommendation</b>	<b>Comments</b>	<b>Timescale for completion</b>	<b>Status / Latest Note</b>
4.1.1 (Low)	In the column headed "Completion date for proposed Risk Control Measure" all proposed risk control measures should show an implementation date for being put in place or a review date where they are "ongoing".	Where a risk control measure is ongoing a review date will be added.	23-09-2020	Considered closed – pending verification by Internal Audit
4.2.1 (Low)	The most recent version of the ERC operational risk register should be used in all cases.	Where the ERC format is appropriate we will ensure the current version is used. The revised Risk Management Policy was issued to SMT in March and a follow up check will be done to ensure the most recent version is being used by operational services.	31-03-2021	We had planned to undertake a risk session with SMT however this was postponed due Covid-19.
4.3.1 (Low)	Control measures should comply with SMART criteria and consideration given to removing or annotating as notes those which are not genuine controls.	The IJB risk register will be reviewed to ensure all measures comply with SMART criteria.	23-09-2020	Considered closed – pending verification by Internal Audit
4.4.1 (Low)	Either the Business Continuity Plans should be provided to Audit or the risk registers amended to refer to the Business Impact Assessment as the risk control measure in place	The HSCP Business Continuity Plan has been updated and a copy shared with Audit.	01-06-2020	Considered closed – pending verification by Internal Audit Shared BCP with audit 03.06.2020

**APPENDIX 1  
INTEGRATION JOINT BOARD INTERNAL AUDIT ACTIVITY**

Audit Scotland 2019/20 Action Plan

No	Issue	Risk	Recommendation	Agreed Management Action	Responsible Officer	Timing	Comments
1 B/F*	<p><b>Financial Sustainability</b></p> <p>The IJB has a savings requirement of £2.432 million per the 2020/21 budget settlement. This has resulted in a funding gap of £1.644 million that will need to be met from care packages, revising the individual budget calculator to reflect prioritisation based on national criteria.</p> <p>The August 2020 revenue budget monitoring report projects an overspend of £0.238 million against a full year budget of £125.8 million. The intention is to fund this from the budget savings reserve as required.</p> <p>The IJB will also face additional financial challenges due to the impacts of Covid-19. The estimated financial implications of Covid-19 between March 2020 and March 2021 are in the region of £9 million.</p>	<p>The IJB may not be able to deal with future financial challenges and deliver required savings without adversely impacting service delivery.</p>	<p>Take action to comply with the stated reserves policy and bring the level of general reserves held into line with the Board target of £1m.</p> <p>Update the MTFP to reflect the impacts of Covid-19 at the earliest appropriate opportunity.</p> <p>Deliver planned changes and improvements to the operation of set-aside as a matter of priority.</p> <p>Work with key partners to identify and act on further opportunities to deliver service transformation that will help shift the balance of care.</p> <p>These actions should be integrated into the planned changes to set-aside and into current and future service transformation projects where appropriate.</p>	<p>On establishment and adoption of the reserves policy the IJB recognised that it would take a number of years to achieve an optimal level of reserves. In the current financial climate there is a tension between holding reserves and delivering operational services and this is supported by our earmarked reserves strategy. Without a significant change in funding it is unlikely that the optimum level of general reserve will be achieved.</p> <p>The Medium Term Financial Plan will be updated once the ongoing implications of COVID-19 become clearer.</p> <p>We will continue to work with our partners to develop and implement the Unscheduled Care Commissioning Plan as a health board wide approach to set aside.</p>	<p>Chief Financial Officer</p>	<p>31-Mar-21</p>	<p>A revised Medium Term Financial Plan will be presented to the IJB on 23 June 2021 along with the unaudited annual report and accounts for 202/21. Both documents reflect the issues raised and recognise that financial sustainability is a key risk.</p>

\* Issue reported in the prior year and re-raised during 2019/20.

**Appendix 2**  
**Internal Audit Activity relating to HSCP**

This appendix details all recommendations for HSCP, including those which the HSCP considers to have been implemented, however this is subject to verification by internal audit.

Ref / Risk Rating	Recommendation	Comments (if appropriate)	Timescale for completion	Status / Latest Note
<b>MB1121RM – Procurement Red Flags</b>				
4.1.1 (L)	Where possible, there should be separation of duties between those who evaluate tenders and those who are responsible for writing the tender specification.	This is not always reasonably practicable due to level of resource within the department however this risk will be mitigated by the inclusion of relevant service representation for evaluation of each tender.	01-06-2020	CLOSED – pending verification by internal audit
4.1.2 (L)	In accordance with current corporate procurement guidance, all tender specifications should be checked by another officer and readily available evidence kept that this has been done.	As above	01-06-2020	CLOSED – pending verification by internal audit
4.4.1 (L)	Evidence should be sought from the successful bidder(s) of their relevant staff qualifications/training stated in their bid. It could be made clear in the tender wording that this will be required of the winning contractor thus incentivising the bid stating those qualifications held by personnel which are only the most relevant.	<p>In any exercise procuring services for social care the tender would contain specific references to the requirement of any bidder meeting the requirements for its staff to be registered with the SSSC and for their services to meet the requirements for registration with the Care Inspectorate. It would be a reasonable undertaking therefore at tender to ask organisations to confirm that they are in a position to commence at award, a service registered with the relevant statutory bodies.</p> <p>The tender would ask bidders to confirm that they are in a position to comply in respect of the category of care being awarded. This could be supplemented by training plans and policies which would provide further suitable information on the ability of the bidder to successfully meet the requirements of the tender.</p>	01-06-2020	CLOSED – pending verification by internal audit
<b>MB1124RM – Data Protection Act (2018)/GDPR</b>				
4.3.1 (L)	In accordance with the procedures, a record of screening decisions on whether a DPIA is required should be maintained by all departments.	<p>DPIA screening decision to be incorporated into project mandate documentation. This will be overseen by HSCP Change Programme Manager</p> <p>Issue comms to HSCP detailing when DPIA should be undertaken and a point of contact</p> <p>Create and maintain DPIA log</p>	31-Dec-20	Partially Implemented –  A DPIA log has been created however this does not include any historic DPIAs

Ref / Risk Rating	Recommendation	Comments (if appropriate)	Timescale for completion	Status / Latest Note
4.3.2 (L)	Departments should keep evidence of Head of Service sign off if DPO advice in relation to a DPIA is not being followed. DPIAs should be built into each Department's project and change processes.	DPIAs will be signed off at HSCP Change Board as part of the change process.	31-Dec-20	Partially Implemented – Change Board suspended during Covid-19 – yet to restart
4.4.1 (M)	A review of current contracts and sharing agreements should be completed and in the meantime this control measure moved into the proposed risk control measures column in the next review of the strategic risk register.	A review of existing arrangements needs to take place to identify review periods and this will include diarising future reviews.	Jun-21	Not Implemented – Work not prioritised during Covid.
4.6.1 (L)	Directors should ensure that all application forms have up to date direct links to a relevant privacy notice rather than a page listing many different council services and leaving the reader to ascertain which one is relevant.	Links have been updated and now take the user straight to HSCP privacy notice	Dec-20	Considered closed – pending verification by internal audit
4.8.1 (L)	Departments should monitor that all of their staff are undertaking annual on-line data protection training as a minimum. A prompt to act as a reminder would assist in this regard.	Communication to be issued to all ERC employees reminding them to complete the annual online data protection course	13-Nov-20	Partially Implemented – Training reminder within Core Brief. L&D will include this in reporting to SMT (SMT has been suspended during covid and has yet to restart)
<b>MB1128FM – Carers</b>				
4.1.1 (M)	All carers recorded on the CareFirst system or within the Carers Centre's records should be offered an assessment in accordance with the Carers Eligibility Framework.	<p>Carer's rights awareness sessions currently being delivered to HSCP teams highlight the importance that carers eligible for support from services have their own support plan. That this plan and any actions required to achieve the outcomes of the carer are recorded within the Carefirst system independently of the person they care for.</p> <p>An independent review of carers experience using SDS in East Renfrewshire was requested and received in Jan 2021. This will also be used to inform practice going forward.</p> <p>A new process is being built into assessments referred to as the</p>	31 March 2022 (with a review for September 2021 included)	<p>Sessions delivered to 14 teams including QEUH Elderly Care Assessment Nurses</p> <p>SDS Strategic Support group established with carer representation</p> <p>Carers</p>

Ref / Risk Rating	Recommendation	Comments (if appropriate)	Timescale for completion	Status / Latest Note
		<p>'Carers Conversation' this will ensure and evidence, on a carer being identified, they are being offered an Adult Carer Support Plan (ASCP). This will be reviewed in 6 months (Sept 2021) to ensure it is working as expected.</p>		<p>Conversation due to go live end June</p>
<p>4.1.2 (M)</p>	<p>A copy of the carers conversation, assessment, support plan, self-directed support details and RAG minutes (where applicable) should be saved to the document hub on CareFirst or be accessible from documents or systems maintained by the Carers Centre</p>	<p>The carers' personal information and support plan is recorded by East Renfrewshire Carers Centre (ERCC) on Charity Log, a specialist charity database software system and in the Carers Scotland Census.</p> <p>ERCC will distribute an annual questionnaire / survey to carers (date tbc taking account of pandemic and recovery) on behalf of HSCP and provide monthly tracker reports for the HSCP on carer activity.</p> <p>Other relevant carers data will be gathered from The Carers Scotland Census completed every six months by ERCC and the HSCP.</p> <p>A clearly defined process has been developed that will ensure and evidence that each time a carer is identified by the HSCP staff the carer relationship is recorded on the Carefirst system, that they have been offered advice, information and support along with an opportunity to have their own support plan. (This process is referred to as the 'Carers Conversation' and will be included in assessments and other relevant forms across HSCP services). This process should start April / May 2021.</p> <p>REG decisions are recorded in the supporting minutes and will identify carer's assessment outcomes.</p>	<p>31 March 2022 (with a review for September 2021 included)</p>	<p>ERCC recording on charity log</p> <p>REG decisions are being recorded in the supporting minutes.</p>
<p>4.1.3 (M)</p>	<p>The frequency of which carers support plans are reviewed should be documented and evidence of the review and the outcome should be recorded on the CareFirst system or the system and documents maintained by the Carers Centre.</p>	<p>A revised ACSP is being tested by practitioners during April and May 2021 this includes a required review date that will create a review activity on Carefirst system awaiting completion. The ACSP also includes carers outcomes measures that will be recorded in Carefirst and / or Charity Log. The ACSP will be approved for use on completion of testing and any changes required on feedback received</p>	<p>31 March 2022 for existing carers.</p>	<p>ASCP approved for use and will go live end June</p>

Ref / Risk Rating	Recommendation	Comments (if appropriate)	Timescale for completion	Status / Latest Note
		<p>The revised ACSP includes a required date for review of plan along with outcome measures. This data will be recorded in Care First and / or Charity Log.</p> <p>Existing ACSPs will be reviewed to ensure a review is offered and if accepted completed with the carer. This review will be completed by September 2021.</p> <p>Where the carer's support has been included within the Outcomes Assessment for the cared for person, further work will be needed as to how we can capture and extract information related specifically to the carer. This is not unique to East Renfrewshire and as these 'joint' assessments are reviewed each carer will be offered an ACSP.</p>	For joint assessments the date will depend on the date for a joint review	
4.1.4 (L)	The group of people who are canvassed for the annual survey should be recorded so it is clear which of these are caring for individuals involved with the service.	Please see 4.1.2 above. The methodology supporting the survey will also be recorded.	31 March 2022	
4.2.1 (L)	Managers in HSCP should ensure that all staff complete the EPiC learning resource.	<p>Carers Rights Awareness sessions currently being rolled out across HSCP teams include the recommendation that all staff complete the EPiC learning resource. Numbers of staff completing the course will be able to be evidenced and 20 people have already been recorded since January 2021.</p> <p>Consideration being given as whether EPiC should be mandatory and included as part of induction for all HSCP staff. A refresher timetable will also be considered.</p>	30 September 2021	Liaising with L&D on best way to take this forward

**APPENDIX 3  
CARE FINANCE AUDIT**

Recommendations from Care Finance audit which remain outstanding since last reported to PAC in November 2019

Ref.	Recommendation	Comments (if appropriate)	Officer Responsible	Timescale for completion	Status / Latest Note
4.1.1 (High)	Priority needs to be given to ensure that annual review takes place for each client with an authorised service agreement however the Head of Finance and Resources stated that it is not possible to undertake a full annual review on every care package and that this operates on a risk based approach. Details of the risk based approach needs to be documented and approved by the IJB	A risk based approach was agreed a number of years ago. The policy will be revised and taken to the IJB for approval.	Head of Adult Health and Social Care Localities	31 March 2019	During 2020 we implemented Scottish Guidance as part of the Coronavirus Act
4.1.2 (Med)	Operational Managers need to review and prioritise cases to ensure that those most likely to have changed are addressed first. In practice these cases should have been reviewed under routine work.	Will be in line with policy as above.	Head of Adult Health and Social Care Localities	31 March 2019	We are currently prioritising permanent care reviews of care home residents as directed by Scottish government. In 2020/21 512 reviews were undertaken, and 482 in 2019/20.
4.2.1 (High)	Action is required by operational managers to ensure that varies processed are appropriate to the client and that service agreements reflect clients' needs accurately. Operational managers should prioritise checking of vary reports to approve all varies processed and to take action to update service agreements where appropriate.	This is already in place, however the formal sign off recording will be strengthened. To avoid duplication of effort and issues the sign off will incorporate some of the points below, as we suggested during the audit.	Head of Finance and Resources	31 March 2019	As there is no simple export from CareFirst which gives this data, a report was developed which uses Excel to link three different Carefirst reports; varies processed, invoices paid and commitment. This was initially send out in June 2019 and feedback from managers was that it was data intensive and not user friendly. Changes were made to the report and user guidance was drawn up, which was issued in September 2019 alongside the reports for sign-off. Again, managers still felt the process was cumbersome and it is accepted this report needs work to make it more meaningful, this format remained in place in the interim. In March 2020, the decision was taken to not amend individual care packages unnecessarily due to the pandemic response, in line with national guidance many providers moved to being paid on planned hours. During the Covid response phase, these reports were not produced, but with a move to recovery, the aim is to restart reporting. In addition, a significant piece of work is ongoing with migration to the



					Scotland Excel national framework. This will act as an additional review of the data and we will continue to develop reporting to best meet everyone's needs.
4.2.2 (High)	A positive response should be obtained by the Finance Team from each operational manager regarding review and approval of vary reports to ensure that each case is addressed and the manager is confirming an awareness of the differences and any required actions. This could be combined with the quarterly client verification check (which covers existence of client, commitment value and provider) and signed off within budget monitoring to avoid numerous verification checks.	Per 4.2.1	Head of Finance and Resources	31 March 2019	See above
4.5.1 (Low)	A review of the uprating process should take place to address the processing of varies where a rate has been approved to be paid but needs to be updated on a service agreement. Service agreements should be identified and subject to independent review and update prior to processing the next period invoice.	See 4.2.1 and 4.4.1.  However the planned centralised entry of service agreements will mitigate.	Head of Finance and Resources	31 March 2019	An exercise is currently underway to address all Service Agreements on the system to ensure rates transition to the Scotland Excel Framework correctly. The annual uplift of rates will be an ongoing process and this will includes non-framework rate changes.
4.5.3 (Med)	Housekeeping checks should be implemented ensuring that all of the adjustments processed that are intended to be offset at a later date are actually matched up and cleared.	This was deemed low risk, when team is fully staffed will be a routine process	Head of Finance and Resources	31 March 2019	Invoice processors now regularly complete a tidy action for their allocated providers, ensuring any un-invoiced periods are promptly raised with the provider. Given the dynamics of care package profiles and actual spend there are a large volume of varies which are often not significant. The updating of Service Agreements for the Scotland Excel framework will remove the need for many of these varies.

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