



RISK, AUDIT AND PERFORMANCE COMMITTEE

Date of Meeting	09/08/2022
Report Title	Internal Audit Report AC2210: Learning Disabilities
Report Number	HSCP22.055
Lead Officer	Jamie Dale, Chief Internal Auditor
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Consultation Checklist Completed	Yes
Directions Required	No
Appendices	None

1. Purpose of the Report

- 1.1. The purpose of this report is to present the outcome from the planned audit of Learning Disabilities Income and Expenditure that was included in the 2020/21 Internal Audit Plan for Aberdeen City Council.

2. Recommendations

- 2.1. It is recommended that the Risk, Audit and Performance Committee review, discuss and comment on the issues raised within this report.

3. Summary of Key Information

- 3.1. The following summary of the Internal Audit report was considered by the Council's Audit, Risk and Scrutiny Committee on 30 June 2022. After some discussion of the issues identified, the Committee noted the report and endorsed the recommendations for improvement.



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Background

- 3.2. Aberdeen City Council Learning Disability Integrated Care Services are support services with housing support and care at home combined. They support individuals to maintain their own tenancies in shared accommodation, houses of multiple occupancy or rented properties within Aberdeen City. The staff provide individualised support to people with varying levels of ability to develop their daily living skills so that they can be more independent. Support is provided to people who may require some care at home, such as help with medication, preparing meals or getting to appointments. Support services help a variety of requirements from those with complicated needs to those who need time limited support to allow them to plan and achieve their preferred lifestyle.

Objective

- 3.3. The objective of this audit was to ensure that there is adequate control exercised over income and expenditure.

Assurance

- 3.4. Controls are in place and no material errors were identified. However, issues were identified in the consistency of their application, particularly in respect of management of cash transactions. Improvements agreed with the Service will increase assurance over these areas.

Findings and Recommendations

- 3.5. Written procedures are in place covering most of the Service's activities but would benefit from being reviewed and updated to reflect and improve current practice. A recommendation graded Significant within audited area was made to do so.
- 3.6. The Service handles cash for petty cash transactions, management of amenity funds, and assisting in service users' management of funds. Any cash-based system has inherent risks, as cash is portable and desirable. Whilst no material errors were identified, weaknesses were identified in respect of management and record keeping for cash transactions and balances. In the absence of clear, consistent, and applied procedures checks and balances, there is an opportunity for cash to go missing or for cash records to be incomplete and variations left unexplained. In addition to potential for financial loss, this leaves staff and the Service vulnerable to challenge or criticism in the event of missing funds or unexplained discrepancies. Recommendations graded Significant within audited area were raised for the Service to develop and implement stronger cash



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controls to mitigate this risk. There are similar risks in respect of inventories of equipment held on site, which need to be put in place.

- 3.7. Whilst in general staff were paid correctly, with only minor issues identified in timesheet completion, supporting records and approvals were not always complete. A recommendation graded Significant within audited area was made to ensure time records are sufficiently comprehensive.
- 3.8. In breach of the Council's Financial Regulations, an order had been placed without an official purchase order; and one transaction had been approved by a signatory without recorded delegated authority. Recommendations graded Significant within audited area were made to ensure orders are raised where required and to ensure delegated authority is in place where appropriate.

Management Response

- 3.9. The Service has agreed to review and enhance procedures to improve control over cash, inventories, timesheet records, ordering goods and services, and other financial administration at the centres. As part of the review staff and managers will refresh and acknowledge their understanding of the various requirements, and the authorised signatory list will be updated.

4. Implications for IJB

- 4.1. **Equalities** – An equality impact assessment is not required because the reason for this report is for Committee to discuss, review and comment on the contents of an Internal Audit report and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 4.2. **Fairer Scotland Duty** – there are no direct implications arising from this report.
- 4.3. **Financial** – there are no direct implications arising from this report.
- 4.4. **Workforce** - there are no direct implications arising from this report.
- 4.5. **Legal** – there are no direct implications arising from this report.
- 4.6. Other - NA



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5. Links to ACHSCP Strategic Plan

- 5.1. Ensuring effective performance reporting and use of Key Performance Indicators will help the IJB deliver on all strategic priorities as identified in its strategic plan.

6. Management of Risk

- 6.1. **Identified risks(s):** The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are as detailed in the resultant report.
- 6.2. **Link to risks on strategic risk register:** There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and projects an overspend.
- 6.3. **How might the content of this report impact or mitigate these risks:** Where risks have been identified during the Internal Audit process, recommendations have been made to management to mitigate these risks.