

Division(s): N/A

## **AUDIT and GOVERNANCE COMMITTEE – 15 JANUARY 2020**

### **INTERNAL AUDIT 2019/20 PROGRESS REPORT**

**Report by the Director of Finance**

#### **RECOMMENDATION**

1. **The Committee is RECOMMENDED to note the progress with the 19/20 Internal Audit Plan and the outcome of the completed audits.**

#### **EXECUTIVE SUMMARY**

2. This report provides an update on the Internal Audit Service, including resources, completed and planned audits. A separate update is made on counter-fraud activity, which will next be reported to the March Audit & Governance Committee.
3. We have successfully recruited two of the three vacant Senior Auditor posts. The third successful candidate unfortunately had to withdraw due to personal reasons, so recruitment has now commenced again. The Counter-Fraud Officer post is now being covered with the part-time secondment of a Trading Standards Officer. Recruitment of the AAT trainee will commence in the new year.
4. The report includes the Executive Summaries from the individual Internal Audit reports finalised since the last report to the September 2019 Committee. Since the last update there has been one further report issued with the grading of Red, Officers attended the December Audit Working Group to provide an update on the response to the report and implementation of the agreed action plan. Previous reports with the grading of Red continue to be monitored by the Audit Working Group for implementation.

## **PROGRESS REPORT:**

### **RESOURCES**

5. At the November Committee meeting the members were informed that the recent recruitment activity to appoint three Senior Auditors had been very successful with three offers made. Since then two of the Senior Auditors have now started with us. Unfortunately, prior to starting the third candidate withdrew due to personal issues. We have now initiated a new recruitment process to fill the remaining vacant post.
6. Within the new finance structure (implemented from 2 December 2019), Internal Audit no longer has a dedicated part-time administration resource, instead the team includes a new full time AAT trainee. This is part of the “grow your own” strategy within Finance. We will look to initiate the recruitment process for this in the new year.
7. We were unsuccessful in the recruitment of the counter fraud officer. However, since then we have started to develop a collaborative working approach with Trading Standards. One of the Trading Standards Officers has joined us from the beginning of December on a 3 day a week secondment undertaking the role of Counter Fraud Officer. There are also other resources within Trading Standards that we are looking to access as part of the arrangement, for example Financial Investigation Resource, access to intelligence databases and subscriptions. We are trialling this initially for a 6-month period.

### **2019/20 INTERNAL AUDIT PLAN - PROGRESS REPORT**

8. The 2019/20 Internal Audit Plan, which was agreed at the May Audit & Governance Committee, is attached as Appendix 1 to this report. This shows current progress with each audit.
9. To date, there have been 11 amendments to the plan for 2019/20, 3 additions to the plan and 8 audits that have been deferred/removed until 2020/21. These are also recorded in Appendix 1. The plan and plan progress is reviewed quarterly with the individual directorate leadership teams.
10. There have been 11 audits concluded since the last update (provided to the September meeting of the Audit and Governance Committee); summaries of findings and current status of management actions are detailed in Appendix 2. The completed audits are as follows:

Directorate	2019/20 Audits	Opinion
Finance	Pension Fund	Amber
ICT	IT Project Governance	Amber
Communities	Oxford City Agency Agreement	Red
Communities / Finance	Oxfordshire LEP Partnership	Green
Adults	Hospital Social Worker Teams	Green
Childrens	Thriving Families Claim 2	n/a
Communities / Finance	Security Bonds	n/a
ICT	Datacentre Refresh Project	Green
Adults / ICT	Call Confirm Live IT Application Audit	Amber
Childrens	Placement Decisions	Amber
Childrens	Thriving Families Claim 3	n/a

The following grants were reviewed and signed off by Internal Audit at the end of September 2019:

- Local Transport Capital Block Funding (consists of Highway Maintenance Block, Highways Maintenance Incentive, Integrated Transport Highways Management Block Grant)
- Pot Hole Action Fund (PAF) Grant
- Disabled Facilities Grant (DFG)
- Bus Subsidy Revenue Grant

## PERFORMANCE

11. The following performance indicators are monitored on a monthly basis. Due to the staffing position within the team for the first 8 months of the year, which has included managing vacancies, managing staffing issues and considerable days spent on recruitment activities, this has impacted on the time taken to complete audits and also the timeliness of the production of draft reports. With the two new Senior Auditors and Counter Fraud Secondment now in post, performance against these targets will improve for the final quarter.

<b>Performance Measure</b>	<b>Target</b>	<b>% Performance Achieved for 19/20 audits (as at 12/12/19)</b>	<b>Comments</b>
Elapsed time between start of the audit (opening meeting) and Exit Meeting.	Target date agreed for each assignment by the Audit manager, stated on Terms of Reference, but should be no more than 3 X the total audit assignment days (excepting annual leave etc)	54%	Previously reported year-end figures: 2018/19 69% 2017/18 80% 2016/17 60% 2015/16 58%
Elapsed Time for completion of audit work (exit meeting) to issue of draft report.	15 days	74%	Previously reported year-end figures: 2018/19 82% 2017/18 95% 2016/17 94% 2015/16 96%
Elapsed Time between issue of Draft report and issue of Final Report.	15 days	92%	Previously reported year-end figures: 2018/19 85% 2017/18 92% 2016/17 75% 2015/16 48%

The other performance indicators are:

- % of 2019/20 planned audit activity completed by 30 April 2020 - reported at year end.
- % of management actions implemented (as at 3/12/19) - 75%.  
Of the remaining there are 13% of actions that are overdue and 12% of actions not yet due.

(At Sept 2019 A&G Committee the figures reported were 72% implemented, 17% overdue and 11% not yet due)

- Extended Management Team satisfaction with internal audit work - reported at year end.

## **COUNTER-FRAUD**

12. The 2019/20 Counter-Fraud Plan progress update was presented to the November 2019 Audit & Governance Committee, the next update will be reported to the March 2020 Audit and Governance Committee.

## **LORNA BAXTER**

Director of Finance

Background papers: None.

Contact Officer: Sarah Cox, Chief Internal Auditor: 07393 001246

**APPENDIX 1 - 2019/20 INTERNAL AUDIT PLAN - PROGRESS REPORT (as at 13/12/19)**

Audit	Planned Qtr start	Status	Conclusion
<b>Corporate / Cross Cutting</b>			
Contract Procurement – Decision Making	Q3	Deferred to 20/21 – see notes below.	-
Governance – Directors Assurance	Q3	Fieldwork	
Governance – Service / Establishment audit	Q3/Q4	Deferred to 20/21 – see notes below.	-
Induction	Q1	Final Report	Amber
Risk Management	Q4	Planned for Q4	
Performance Management	Q4	Planned for Q4	
Transformation Governance	Q3/Q4	Removed from plan – see notes below	-
Follow up – Health & Safety	Q4	Fieldwork	
Follow up – Business Continuity	Q4	Scoping	
Oxfordshire Local Enterprise Partnership	Q2	Final Report	Green
<b>Adults / Children</b>			
Transitions from Children to Adult Services	Q4	Deferred to 20/21 – see notes below.	-
Adults: Hospital Social Work Teams	Q1	Final Report	Green
Adults: Payments to Providers	Q3	Scoping	
Adults: Client Charging	Q3	Scoping	
Adults: Direct Payments	Q3	Fieldwork	
Adults: Contract Management	Q2	Fieldwork	
Adults: IT Audit Application Review – CM2000	Q2	Final Report	Amber
Children: Payments via ContrOCC	Q4	Scoping	
Children: LCS Social Work Recording	Q4	Fieldwork	
Children: Placement Decisions	Q1	Final Report	Amber
Children: Family Safeguarding Model	Q3/Q4	Fieldwork	

Children: Children Missing Education	Q2	Exit Meeting	
Children: SEND	Q3	Scoping	
Children: Troubled Families – Claim 1	Q1	Complete	n/a
Children: Troubled Families – Claim 2	Q2	Complete	n/a
Children: Troubled Families – Claim 3	Q3	Complete	n/a
Children: Troubled Families – Claim 4	Q4	March 2020	
Children: School Admissions	Q2	Exit Meeting	
<b>Communities</b>			
Oxford City Agency Agreement for Highway Maintenance	Q1	Final Report	Red
Property & Facilities Management	Q3/Q4	Scoping	
Highways Contract Payments	Q3	Scoping	
<b>Communities / Resources</b>			
Capital Programme – Formulation and Prioritisation	Q4	Deferred to 20/21 – see notes below.	-
Capital Programme – Procurement	Q2	Fieldwork	
Oxfordshire Housing and Growth Deal – Accountable Body	Q3/Q4	Deferred to 20/21 – see notes below.	-
<b>Resources</b>			
Pensions Administration	Q3	Fieldwork	
Pension Fund	Q1/Q2	Final Report	Amber
Accounts Payable – 19/20 Duplicate Payments	Q1	Final Report	Amber
Payroll	Q4	Planned for Q4	
<b>IT Audits</b>			
Backup and Recovery	Q4	Planned for Feb 2020	
IT Incident Management	Q4	Deferred to 20/21 – see notes below.	-
Data Centre Refresh	Q3	Final Report	Green
Cyber Security	Q1/Q2	Final Report	Amber
IT Disaster Recovery Planning	Q3	Deferred to 20/21 – see notes below.	-
IT Project Governance	Q2	Final Report	Amber
NHS Data Security and Protection Toolkit	Q4	Fieldwork	
(IT Application Review – see Adults plan)	-	-	-

## Amendments to 2019/20 plan:

<b>Amendments to plan - agreed with Director of Finance – to be reported to January 2020 A&amp;G Committee:</b>	
<p><b>Deferred to 20/21 plan:</b> Contract Procurement – Decision Making</p>	<p><i>The audit will provide assurance that, prior to taking decisions to make a financial commitment with a third party, there is compliance with the Council’s Contract Procedure Rules, a clear business need has been identified and appropriately reviewed, there is a sound commercial/commissioning strategy to ensure value for money is achieved, supply risk is managed and service objectives are met. The audit will include review of exemptions to ensure these are only granted in exceptional circumstances in line with the Council’s Exemption Procedure.</i></p> <p>Due to the current work being completed as part of the review of the Provision Cycle, the audit will be deferred until 2020/21. The audit will be able to provide assurance on the newly developed arrangements and processes.</p> <p>Assurance work has been completed in this area during 19/20 – with the additional work completed by Internal Audit on the Review an individual contract award process.</p>
<p><b>Deferred to 20/21 plan:</b> Governance – Service / Establishment audit</p>	<p><i>A small sample of service/establishment audits will be undertaken from areas across the Council to provide assurance on compliance with key Governance, HR and Financial Management policies by cost centre managers and their teams.</i></p> <p>This will be considered for the 2020/21 Internal Audit Plan</p>
<p><b>Deferred to 20/21 plan:</b> Transitions from Childrens to Adult Services</p>	<p><i>The arrangements for transitions between Children and Adults has been subject to review. Following on from that work, the audit will provide assurance over the processes and governance arrangements in place to provide a smooth and coordinated transition for young people.</i></p> <p>There are now dedicated posts within Adults to manage transitions from Children’s to Adult Services. This is an interim arrangement whilst the service is subject to re-design, with a proposal within the 2020/21 budget for Children’s and Adults to create a new permanent team. It has been agreed with both Deputy Directors in Children’s and Adults that the timing of this audit should be deferred until 2020/21 to review the arrangements and processes once implemented.</p>



<p><b>Deferred to 20/21 plan:</b> Capital Programme – Formulation and Prioritisation</p>	<p><i>The audit will provide assurance on the governance and processes in place for formulation and prioritisation of projects to be included within the capital programme.</i></p> <p>Due to the current work being completed to review the capital programme governance and processes, the audit will be deferred until 2020/21. Assurance work is being completed in this area with the audit of Capital Programme – Procurement as part of the 19/20 plan.</p>
<p><b>Deferred to 20/21 plan:</b> Oxfordshire Housing and Growth Deal – Accountable Body</p>	<p><i>The Deal, as announced by Government in November 2017, provides £215 million of additional government funding for Oxfordshire, to deliver the key infrastructure required to underpin proposed housing development, and additional funds to increase the supply of affordable housing. Delivery of the Deal is overseen by the Oxfordshire Growth Board. The Growth Board is a statutory joint committee of the 6 Oxfordshire Local Authorities, the LEP and key strategic partners. The audit will look to provide assurance that Oxfordshire County Council has robust processes in place to deliver its role as the accountable body.</i></p> <p>It has been agreed with the Director of Finance, that as the Accountable Body responsibilities and arrangements are still being developed that it would be appropriate to defer this until 2020/21.</p>
<p><b>Deferred to 20/21 plan:</b> ICT – Incident Management</p>	<p><i>A new IT service management tool is being implemented in 2019. This audit has been c/f from 2018-19. The audit will review how incidents and service requests are reported to the IT service desk and managed through to resolution.</i></p> <p>The new IT Service Management (ITSM) tool is still in the procurement phase. It has been agreed that the audit will be deferred until Q1 of 2020/21, and reviewed once implemented.</p>
<p><b>Deferred to 20/21 plan:</b> ICT – Disaster Recovery Planning</p>	<p><i>Following on from the audit of Business Continuity undertaken in 2018-19, this audit will provide assurance over the adequacy of plans in place to recover IT systems and services, within agreed timescales, following a disaster event.</i></p> <p>This is part of the data centre refresh project, the technology for which will be in place by March 2020, however there will still be work in developing the supporting processes. The audit has been deferred until Q1 of 2020/21 and will review the new arrangements.</p>

<p><b>Removed from 20/21 plan:</b> Transformation Governance</p>	<p><i>The audit will follow up on the audit of Transformation Governance Arrangements undertaken during 2018/19, reviewing governance processes that have since been refined and implemented. The detailed scope is to be agreed but will include review of the robustness and accuracy of reporting against key project deliverables.</i></p> <p>The audit has been removed from the plan as the current transformation governance arrangements are in the process of being remodelled. However, assurance on the governance of major transformation programmes is still being provided for 19/20 through the audit of Family Safeguarding Model, being undertaken in quarter 4.</p>	
<p><b>Amendments to plan – agreed with Director of Finance, previously reported to Sept 19 CEDR and Sept 19 A&amp;G Committee:</b></p>		
<p><b>Addition to agreed plan:</b> Security Bonds</p>	<p>An Internal Audit of Security Bonds was completed in 2017/18 which had an overall conclusion of red. One of the areas where key control weaknesses were identified was in relation to the recording and administration of security bonds. Following the audit, concerns were also raised about the processes for recording, reducing and returning cash bonds, agreed for some S278 and S38 agreements. Work has been undertaken within the service to identify cash bonds currently in place, however there has been no reconciliation of cash expected to cash actually held by the Council on SAP.</p> <p>The audit will focus on a probity review of transactions to provide assurance that security bonds, in particular cash bonds, are recorded completely and accurately, that monies received are properly accounted for and that the processes in place for the reduction and return of cash bond monies held are appropriate.</p>	<p>Final Report</p>
<p><b>Addition to agreed plan:</b> Q1 advice to schools</p>	<ol style="list-style-type: none"> <li>1) Internal Audit were requested to independently review the methodology used by Finance to confirm the financial positions of three schools following their defederation. – This has been completed and confirmed as appropriate and reasonable.</li> <li>2) Advice provided to a new Chair of Governors for and IEB of a primary school where weaknesses with governance and internal control arrangements of</li> </ol>	<p>Complete</p> <p>Complete</p>

	previous management had been identified. Additional work undertaken by Internal Audit to analyse procurement card expenditure.	
<b>Addition to agreed plan:</b> Adults: Review of an Individual Contract Award Process	Internal Audit were requested to undertake a review into a recent Contract Award process. Concerns were raised by management due to the award and transfer process failing at the last minute, resulting in the incumbent provider being requested to continue in the interim.	Final Report

## **APPENDIX 2 - EXECUTIVE SUMMARIES OF COMPLETED AUDITS**

Summary of Completed Audits 2019/20 since last reported to Audit & Governance Committee Sept 2019:

The below executive summaries of Pension Fund, IT Project Governance, Oxford City Agency Agreement, Oxfordshire LEP Partnership, Hospital Social Worker Teams, Thriving Families Claim 2, Security Bonds have already been reported and considered by the Dec AWG.

Since then Data Centre Refresh Project, Call Confirm Live Application, Placements and Thriving Families Claim 3 have also been finalised and are included in this report.

### **Pension Fund**

<b>Overall conclusion on the system of internal control being maintained</b>	<b>A</b>
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<b>RISK AREAS</b>	<b>AREA CONCLUSION</b>	<b>No of Priority 1 Management Actions</b>	<b>No of Priority 2 Management Actions</b>
<b>A: Pension Fund, Governance and Strategy</b>	<b>A</b>	<b>0</b>	<b>2</b>
<b>B: External Provider Performance</b>	<b>A</b>	<b>0</b>	<b>2</b>
<b>C: Transactions</b>	<b>G</b>	<b>0</b>	<b>0</b>
<b>D: Pension Fund Assets</b>	<b>G</b>	<b>0</b>	<b>0</b>
		<b>0</b>	<b>4</b>

Opinion: Amber	04 September 2019	
Total: 4	Priority 1 = 0	Priority 2 = 4
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	4	

Since the conclusion of the previous internal audit of the Pension Fund, reported on in the spring of 2018, the Oxfordshire Pension Fund, along with 9 other local authority pension funds, has formally become part of the Brunel Pension Partnership (BPP) which pools the investment assets through a limited company jointly owned by the administering authorities of the participating funds. There is a Service Agreement and transition plan in place

for the transitioning of funds over to the management of the BPP. Transfer of assets to the Brunel Pension Partnership began in April 2018 and based on the current participants will deal with approximately £30bn of assets. The Oxfordshire Pension Fund currently has assets valued at just over £2.5bn (as at March 2019).

The audit, in addition to reviewing the governance and strategy arrangements in place over the management of the Oxfordshire Pension Fund by County Council staff, considered the adequacy of BPP governance arrangements to provide the Oxfordshire Pension Fund and its members with assurance that the new partnership arrangements are appropriately controlled and monitored. Whilst it was found that there were mechanisms in place for monitoring and reporting back on the performance of the BPP, it was noted that KPI reporting is still in the process of being developed. There are a number of KPIs which are still to be defined and there is no systematic and regular reporting on KPIs by the BPP. Additionally, the Client Assurance Framework, which will clearly define responsibilities and expectations in relation to the different type of funds managed as part of the BPP arrangements, is in the process of being confirmed and agreed. It is expected that the remaining parts of the framework, which have not yet been agreed, will be confirmed and agreed by the partnership Client Group, with Oxfordshire Pension Fund Committee approval to follow in September 2019.

The relationship between the Custodian, the Oxfordshire Pension Fund and the BPP and the way in which payments are processed by BPP to the Custodian on behalf of the Oxfordshire Pension Fund requires some clarification. Although as part of the BPP arrangements, the BPP has taken over responsibility for management of the relationship between the Oxfordshire Pension Fund and the Custodian, it has not been possible to confirm whether this arrangement covers all funds overseen by the Custodian on behalf of the Oxfordshire Pension Fund or just those funds which are managed by the BPP. Additionally, it was noted that whilst BPP are processing and paying the Custodian's invoices on behalf of the Oxfordshire Pension Fund, there are no checks carried out by Oxfordshire County Council staff which provide assurance that the amounts being charged are complete and correct and no information is being provided by Brunel which confirms this.

Overall, governance over the Oxfordshire Pension Fund continues to remain strong, throughout the course of the audit it was observed that controls were generally well designed and that procedures and controls for general management of the fund were robust.

Follow up - The effectiveness of implementation of the management action agreed following the previous audit was reviewed and it was confirmed to have been implemented effectively.

## IT Project Governance Review 2019/20

Overall conclusion on the system of internal control being maintained	A
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
Project Standards	G	0	2
Project Structures	A	0	6
Key Documentation	A	0	3
Project Timescales	G	0	0
Budget Monitoring	G	0	0
Post Implementation Reviews	A	0	1
		0	13

Opinion: Amber	09 September 2019	
Total: 13	Priority 1 = 0	Priority 2 = 13
Current Status:		
Implemented	13	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	0	

There is a programme delivery team in ICT that manages IT projects. Members of the team were moved into the corporate Programme Management Office (PMO) in April 2017, as part of the Fit for the Future programme, but moved back into ICT in 2018 when the PMO was under review. IT project managers hold a Prince 2 qualification and work to a Prince 2 based project management methodology, utilising template documents that were developed by the PMO and are available on the Intranet. The only exception to this is the Digital ICT workstream, which adopts an agile project management methodology, which needs to be formally defined in terms of requirements and processes. A central register of IT projects is maintained by the ICT Programme Delivery Manager, although it was noted that certain details are missing for some projects and this reduces the effectiveness of the register as a monitoring tool.

Formal project structures are in place and have improved in 2019 with the establishment of an ICT Programme Board and an IT Governance Board. The ICT Programme Board is responsible for overseeing all ICT projects from a delivery perspective and the IT Governance Board, which is chaired by the

Corporate Director (Customers and Organisational Development) and reports to CEDR, is responsible for ensuring IT project delivery is aligned to corporate strategy and priorities. Regarding structures and roles, the following has been identified:

- ICT are not represented on the Transforming Service Delivery Workstream Board and do not have formalised and regular meetings with Programme Managers from Adult's and Children's. Hence, they may be unaware of all IT projects in service areas and are unable to advise on the suitability of potential IT solutions;
- Business area representatives have yet to be confirmed for the IT Governance Board;
- The senior supplier role within projects is not explicitly defined, which could lead to the role not being performed;
- The ICT Programme Board terms of reference need further detail to ensure it operates effectively;
- Roles and responsibilities for key project members e.g. project sponsor, project manager and senior customer are only defined at a high-level, which could lead to key tasks not being performed;
- The Business Systems Steering Group agenda does not include a review of project financials, risks and issues.

A new priority order for scheduling IT projects has been documented to ensure ICT resources are steered towards the delivery of corporate objectives/plan. The priority levels have been agreed by the IT Governance Board. The benefits to be delivered by each project are defined within the Project Initiation Document (PID), however, we found that they are not always measurable and hence it is difficult to subsequently confirm they have been achieved. Processes for project risk and issue management are in place, including template documents, although we found that issues are not prioritised and hence it may not be possible to identify and monitor those that are key to the successful delivery of the project. Highlight reports are used for reporting on projects to each of the ICT Steering Groups and the ICT Programme Board.

A project plan is a mandatory document that is used to monitor the timeliness of a project. A project change request has to be raised for any deviations from the agreed scope or plan and approved by the ICT Programme Board. Project costs are included within the PID and monitored by the project manager. A RAG status for the financials of a project is included in the relevant Highlight Report for the Digital Steering Group, but not for the Business Systems Steering Group as detailed above.

IT projects are formally closed, which includes a review of the benefits stated in the PID. However, this will only be the benefits realised at the end of a project and not any that are anticipated over the longer-term. Responsibilities for reviewing the achievement of longer-term benefits is not defined and hence there is no assurance that they are realised.

## Oxford City Council Agency Agreement 2019/20

The full report was presented and considered by the December AWG with officers attending to update on progress with implementation of the action plan.

<b>Overall conclusion on the system of internal control being maintained</b>	<b>R</b>
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<b>RISK AREAS</b>	<b>AREA CONCLUSION</b>	<b>No of Priority 1 Management Actions</b>	<b>No of Priority 2 Management Actions</b>
<b>Risk Area A: Governance and Oversight</b>	<b>R</b>	<b>2</b>	<b>5</b>
<b>Risk Area B: Operational Assurance</b>	<b>R</b>	<b>2</b>	<b>3</b>
<b>Risk Area C: Invoicing</b>	<b>A</b>	<b>0</b>	<b>0</b>
		<b>4</b>	<b>8</b>

Opinion: Red	11 October 2019	
Total: 3	Priority 1 = 4	Priority 2 = 8
Current Status:		
Implemented	6	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	6	

### Background

The Oxford City Council Agency Agreement started in September 2018, to provide routine and reactive works to maintain the classified road network within the Oxford City boundary. The Agreement is between the County and City Councils, under Section 101 of the Local Government Act 1972, which provides for Local Authorities to delegate functions to one another. The County Council retains ultimate responsibility for the road network, whilst the operational activity is delegated to the City Council, who then use Oxford Direct Services (ODS) for delivery of the works. The current Agreement adds to the pre-existing S42 Agreement between County and City Councils for highways maintenance (the new Agreement commonly being referred to as S42+). This audit focused on the S42+ / S101 Agreement arrangements.

Whilst the audit is graded Red, it is recognised that some of the issues are wider, corporate issues not only related to this particular Agreement, including the lack of policy on performance managing S101 Agreements and some system issues which affect multiple teams and contracts. It is further noted that the opinion is based upon a lack of assurance identified at the time of the audit looking retrospectively, but that steps were already being taken to address these gaps in assurance, which when operating effectively could quite quickly improve the audit opinion.



## Governance and Oversight

The audit highlights a wider issue regarding the level of performance monitoring required for S101 Agreements. There was a perception with this arrangement that with the delegation of functions comes the delegation of responsibility and risk; thereby reducing the requirement to undertake performance management and gain assurance. However, a risk-based decision regarding the necessary level of performance monitoring should be undertaken for S101 Agreement arrangements, with monitoring processes put in place that provide a corresponding level of oversight over delivery, quality and risk management. In this case, there had not been a risk-based decision regarding the assurance framework required and the arrangements started with very limited assurance and oversight over performance, to more recently developing a strengthened framework.

On commencement of the Agreement, defect timeliness indicators were carried forward and continued to be monitored from the original S42 Agreement, however a full suite of Key Performance Indicators were not in place, albeit draft indicators were being agreed at the time of the audit. Some performance meetings had taken place, however the Service are looking to formalise and improve these in terms of attendance, regularity and recording. Management Information to provide assurance to senior management over the performance of the Agreement is due to commence once KPI's are established.

The nature of this S101 Agreement is to delegate to Oxford City Council operational discretion over how the service is managed and delivered. However, as OCC continue to have financial responsibility for the service, a value for money review has been scheduled upon completion of the first full year's operations. The value for money and productivity of the arrangements have not previously been monitored and reported on, as there is an absence of information on outputs against costs to understand the volume of work that has been delivered under the Agreement. The Service are working on how this information will be obtained as it is currently not available as part of the KPI's or invoicing data.

Under the Arrangement, the City is responsible for monitoring the agreed threshold of works. For Defects, the threshold set for 2019/20 was 616 defects to be completed, and it is noted that this has already been reached. There is a risk that additional funds may be requested or delivery will be reduced for the remainder of this year for some types of works. The service are addressing this risk and have requested a detailed breakdown of works areas affected. Since audit testing, management have reported that they are satisfied that the City Council have the correct processes in place to highlight where this risk could be materialising to ensure that in the future, appropriate and timely discussions on overall programme spend take place.

## Operational Assurance

The audit identified that there is an absence of an agreed approach to quality assurance at OCC's level. Quality checks are undertaken by ODS, however OCC do not have oversight of these or quality assurance undertaken by Oxford City Council.

There is currently no mapping or analysis of defect 'hotspots' or repeat works, where a defect may be repaired several times and there is no information contained in the KPI's to this effect. The audit identified that maintenance works are not captured on the Asset Management system, HIAMS. There is therefore a risk that the County Council's records on asset management is not up-to-date with all works completed.

Sample testing performed by Internal Audit identified that the majority of defects are being completed within the required timescales. However, issues were noted with the quality of photos uploaded to the system, as well as a current wider system fault preventing post works photos from being uploaded (this is being addressed with the system provider).

Customer Management is managed by the City Council. In the draft PI's there are no indicators on complaints, however it was reported to internal audit that this is being added as a standard agenda item. There are indicators regarding customer satisfaction cards in the KPI's and this feedback process is due to be implemented shortly. The audit identified a wider system issue which is County-wide, regarding communications with customers via the Fix my Street portal after the defect is closed, which appears to be a wider issue and is being investigated.

The audit noted that the Agreement is still relatively new, and both sides are working hard to develop and improve the service offering. Once the full set of KPI's are agreed and implemented, and the HIAMS system errors are fixed it should be possible to gain improved assurance over performance, productivity and quality.

#### Invoicing

The audit identified that due to an oversight, the Purchase Order had not been raised for 2019/20, resulting in a delay in the City Council raising the invoice for the first quarter (the PO was raised at the time of audit reporting).

## Hospital Social Work Teams 2019/20

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
A: Policies & Procedures	<b>G</b>	<b>0</b>	<b>0</b>
B: Operational Processes	<b>G</b>	<b>0</b>	<b>0</b>
C: Management Information	<b>A</b>	<b>0</b>	<b>1</b>
D: HR	<b>G</b>	<b>0</b>	<b>0</b>
E: Finance	<b>A</b>	<b>0</b>	<b>2</b>
F: IT	<b>G</b>	<b>0</b>	<b>0</b>
		<b>0</b>	<b>3</b>

Opinion: Green	24 October 2019	
Total: 3	Priority 1 = 0	Priority 2 = 3
Current Status:		
Implemented	2	
Due not yet actioned	1	
Partially complete	0	
Not yet Due	0	

Audit testing on hospital social care referrals demonstrated that, for the sample reviewed, teams are appropriately managing referrals and carrying out assessments to enable efficient discharge of patients once they are medically stable. Areas of good practice could be evidenced within LAS records reviewed, including prompt allocation of Social Workers when an Assessment Notice is received, close communication with family members when assessing and arranging care, and completion of mental capacity assessments to assess a patient's ability to make decisions regarding their care. Strong and effective working relationships with other internal teams (e.g. Occupational Therapy) and external agencies (e.g. NHS staff) could also be evidenced.

It was noted, however, that despite assessments being completed and authorised in a timely manner (with notes added to LAS where the SW experienced delays), the majority of the 25 referrals sampled resulted in a delayed discharge. On average, these patients were discharged 14 days after the Discharge Notice (notification from the hospital ward that the patient

is medically stable for discharge) was received. The main cause for these delays was the shortage of available care packages and placements, with one patient in the sample waiting 7 weeks from their medically stable date to be discharged to a nursing home able to meet their care needs. The audit recognised the ongoing efforts by management to increase the efficiency of processes and discharges, including the new care home trial, which aims to centralise completion of contract paperwork and system updates for care homes in one team, to free up Social Workers' capacity and enable efficient payments and charges.

Internal management information was found to be reported appropriately, providing sufficient oversight to Adult Social Care management both on the Hospital Social Work Team's operational performance and DToC figures. Hospital discharges and delayed transfers also form part of CEDR and Health & Wellbeing Board measures, which are regularly reported on. Audit testing verified a sample of reported figures against source data, confirming those tested were accurate.

The Hospitals Team are also required to report DToC figures to the Department of Health every month. This is done in partnership with Oxford University Hospitals (OUH) and Oxford Health (OH), with each delayed patient receiving a code to assign a reason and responsible party to the delay. While very labour intensive, the process for preparing this data was found to be effective (no inaccuracies were identified when reviewing a sample of 20 reported delays, and challenge from OCC on delays incorrectly assigned to them could be evidenced), however inconsistencies were identified between the figures agreed by OCC and the data published online by the Department of Health. This issue, which is reportedly due to system errors when OUH run final reports, had already been identified by the service area at the time of the audit, with the NHS investigating the causes errors, and an additional data checking control introduced by OCC to ensure that, going forward, reported data is accurate.

From sample testing on expenditure incurred due to out of county delays (when Oxfordshire residents are in hospitals outside of Oxfordshire and OCC social care is responsible for the delay, the hospital can charge the Council to recover costs), issues were noted with the promptness of invoice payments to one particular hospital. This is reported to be due to delays in the hospital making corrections to their data following receipt of queries from OCC. This has historically resulted in delays of over a year, however the OCC Hospitals Team are working with the hospital to make improvements to the process.

The audit confirmed data is sent securely, Hospitals Social Work staff have access to the appropriate systems, and that sufficient, up to date, and available policies and procedures are available, including guidance around managing referrals and reporting on DToC figures. Audit testing of a sample of overtime payments against the weekend rota also confirmed payments had been made accurately and promptly.

## Oxfordshire Local Enterprise Partnership 2019/20

Overall conclusion on the system of internal control being maintained	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
<b>A: Governance</b>	<b>G</b>	<b>0</b>	<b>1</b>
<b>B: Financial Management and Procedures</b>	<b>G</b>	<b>0</b>	<b>1</b>
<b>C: Responsibilities of the Accountable Body</b>	<b>G</b>	<b>0</b>	<b>0</b>
		<b>0</b>	<b>2</b>

Opinion: Green	24 October 2019	
Total: 2	Priority 1 = 0	Priority 2 = 2
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	2	

The audit has confirmed that there continues to be good governance and financial management arrangements operating within OxLEP and an effective working relationship between OxLEP and OCC as the Accountable Body. Areas of good practice noted during the audit included strong governance and transparency in relation to Board minutes and their timely publication, existence of key governance documentation (including Terms of Reference, Financial Regulations, Memorandum of Understanding); and frequent project monitoring and reporting. In addition, OxLEP has recently appointed three new members to its Board, meeting its target for improved gender balance ahead of schedule.

External assurance has also been provided: this includes a 'Good' rating issued by the Ministry of Housing, Community and Local Government (MHCLG) in two areas (governance and strategy); The Department for Business, Energy and Industrial Strategy (BEIS) have reviewed OxLEP's Local Assurance Framework and an Internal Controls review was completed in February 2019 by an independent consultant.

Project reporting appeared comprehensive and appropriate with evidence of discussions of specific project issues discussed at Programme Sub-Group and reported through to the OxLEP Board.

There was clear and transparent governance arrangements in relation to declarations of interest both of board members and key OxLEP staff,

including this being a standing agenda item at all key meetings reviewed. Some declarations have not been reviewed within the last 12 months, however, it was reported that this will be completed once board structure changes and appointments have been made.

Progress has been made in relation to reducing reliance on key members of staff both at OCC and OxLEP however there is still some work to do in ensuring key processes are fully documented.

#### Follow up

Following the previous audit of OxLEP undertaken in 2016/17, 11 management actions were agreed (1 Priority 1 action and 10 Priority 2 actions). 10 actions have been reported as fully implemented, the remaining action has been reported as partially implemented. Testing undertaken as part of this audit has confirmed that 7 management actions have been implemented effectively, 2 are no longer relevant, but 1 was found not to have been implemented effectively (this was in relation to the awareness of documented OxLEP procedures). Reference to the issues noted in relation to the previously agreed management action has been made within the report and a new action has been agreed to address the weakness identified. For the remaining open action, Internal Audit will continue to monitor and report on progress with implementation through the routine Internal Audit follow up process.

#### **Troubled Families September Claim 2019/20**

Since the start of Phase 2 of the government's Troubled Families programme in September 2014, OCC has submitted between 2 and 3 claims per year. During 2019/20 this changed to quarterly submissions with a view to maximising the volume of claims, particularly as next year is due to be the final year of the Programme. The current claim consists of 335 families for Significant & Sustained Progress (SSP) and 12 families for Continuous Employment (CE). The audit checked a sample of at least 10% for both claims to ensure that they met the relevant criteria for payment and had not been duplicated in the current or previous claims. Their initial eligibility criteria for inclusion in the Programme were also checked.

The audit noted further improvements in the internal processes for data checking and validation, however as with previous claims, issues were noted in relation to duplication against previous claims. The duplicated families had not been identified prior to the initial submission of the claim to Internal Audit and were reportedly mostly due to version control issues with the previous claim lists.

Further to satisfactory responses being received against all queries raised by Internal Audit, and corrective actions completed, the claim was signed off for submission.

4 management actions were agreed as part of the audit of the previous claim (June 2019), all regarding utilising Liquid Logic reports to improve identification of eligible families and any subsequent regression. 3 actions have been confirmed as implemented, however 1 action, relating to flagging families already claimed for on Liquid Logic, in order to easily identify duplicates, has not been possible to implement. Work-arounds are therefore in place to identify and remove families within the claim that the Council have previously claimed for, however these have not been working effectively as further duplicates were found with this claim.

### **Security Bonds Probity Audit 2019/20**

The full report was presented and considered by the December AWG with officers attending to update on progress with implementation of the action plan.

Opinion: n/a	28 November 2019	
Total: 11	Priority 1 = 2	Priority 2 = 9
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	11	

Following an Internal Audit of Security Bonds completed in 2017/18 which had an overall conclusion of Red, concerns were raised about the processes for recording, reducing and returning cash bonds, agreed for some S278 and S38 agreements. Whilst work had been undertaken within the service to identify cash bonds currently in place, there had been no reconciliation of cash expected to cash actually held by the Council on SAP, resulting in an increased risk of financial loss due to error or fraud. The focus of the audit was a probity review of transactions to provide assurance that security bonds, in particular cash bonds, are recorded completely and accurately, that monies received are properly accounted for and that the processes in place for the reduction and return of cash bond monies held are appropriate.

The probity review of transactions combined with a full reconciliation of cash bond income expected to cash bond income received and of cash bond income expected to be returned to cash bond income actually returned has demonstrated that the cash bond register is not an accurate or complete mechanism for the recording and management of cash bonds. Numerous errors, omissions and duplications have been noted including a significant amount more cash bond income recorded on SAP than is recorded on the cash bond register. The register also does not record a significant amount of returned cash bonds. There remain queries outstanding which the service still needs to investigate. Whilst we have not identified evidence of fraud or deliberate error during the course of our testing, the control environment needs to be strengthened to give management sufficient assurance in this area going forward.

Whilst we do not recommend further sample testing in this area, the reconciliation work undertaken by Internal Audit provides detailed information which can be used by the service to improve the accuracy and integrity of current cash bond records. Management actions have been agreed to resolve individual queries that this work has identified, address inconsistencies in processes and strengthen the control environment.

### Datacentre Refresh Project Review 2019/20

<b>Overall conclusion on the system of internal control being maintained</b>	<b>G</b>
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RISK AREAS	AREA CONCLUSION	No of Priority 1 Management Actions	No of Priority 2 Management Actions
Project Structures	A	0	2
Key Documentation	G	0	0
Project Implementation	G	0	0
Budget Monitoring	G	0	0
Testing	A	0	1
		0	3

Opinion: Green	11 December 2019	
Total: 3	Priority 1 = 0	Priority 2 = 3
Current Status:		
Implemented	3	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	0	

The Datacentre Refresh project is a significant piece of work that will replace ageing and redundant computer hardware, storage and other network infrastructure held within the CV1 datacentre. A new backup solution will also be implemented, and Disaster Recovery arrangements changed to utilise cloud services.

The Datacentre Refresh project has a formal structure in place with a nominated project sponsor and project manager. All roles and responsibilities are documented. There is a dedicated Project Board that meets on a monthly basis and there is also project oversight from the existing ICT Governance Board, which includes senior stakeholders from the Project Board. There is a Project Initiation Document (PID) but no evidence that it has been approved. A review of the



composition of the Project Board identified that the “senior user” and “senior supplier” roles have not been allocated and hence there is a risk that the responsibilities defined for these roles are not undertaken.

There is a project risk log and issues log and testing confirmed that they are being adequately managed and that reporting is in place. A workshop was held in November to review risks and issues across the whole project and there are plans for it to be held monthly for the remainder of the project. Highlight reports are used for reporting progress to the ICT Governance Board and to CEDR. The report to the ICT Governance Board includes a RAG status for each agreed project milestone and an overall project RAG status, which is currently green. In addition, the Project Manager issues a weekly Checkpoint Report to the Programme Manager, which includes details of activity completed that week and what is planned for the following week.

A project plan has been developed and is maintained by the Project Manager. It shows the tasks associated with all workstreams and includes the agreed milestones which are reported in the Highlight Report and Checkpoint Report as detailed above. There is a decision point on 31 December 2019 on whether to serve notice on existing hardware and software maintenance contracts, which on the basis of three-months notice, would terminate on 31 March 2020. High-level design documents have been developed and signed-off by the Technical Authority Group.

The Programme Manager is responsible for managing the project budget and details of costs are being recorded for this purpose. The supplier has recently invoiced for the supply and deployment of new hardware in line with the contract and further charges are linked to delivery against agreed milestones. All project costs are reported to the Project Board.

Some high-level technical testing of the new IT infrastructure has been completed and further testing is planned, along with user acceptance testing of critical systems. However, there is no evidence of any formal documentation around testing in regard to the use of formal test plans, recording results, sign-offs/approvals and reporting of outcomes to the Project Board.

**Call Confirm Live IT Application Audit 2019/20**

<b>Overall conclusion on the system of internal control being maintained</b>	<b>A</b>
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<b>RISK AREAS</b>	<b>AREA CONCLUSION</b>	<b>No of Priority 1 Management Actions</b>	<b>No of Priority 2 Management Actions</b>
<b>Logical Security</b>	<b>A</b>	<b>0</b>	<b>3</b>
<b>Access Rights</b>	<b>A</b>	<b>0</b>	<b>3</b>

<b>Audit Trails</b>	<b>A</b>	<b>0</b>	<b>1</b>
<b>Data Processing</b>	<b>R</b>	<b>1</b>	<b>1</b>
<b>Support and Maintenance</b>	<b>A</b>	<b>0</b>	<b>1</b>
<b>Backups</b>	<b>A</b>	<b>0</b>	<b>1</b>
		<b>1</b>	<b>10</b>

Opinion: Amber	19 December 2019	
Total: 11	Priority 1 = 1	Priority 2 = 10
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	11	

The Call Confirm Application (CM2000) is the electronic time recording system which records actual home support visit data and is used as the basis to make payments to care providers. The audit has highlighted weaknesses in system security as a result of certain functionality not being enabled and also a risk of over reliance on one individual within ICT to perform system administration tasks. In addition, there are risks in the transfer of data between the Call Confirm and ContrOCC applications (application used to generate payments to providers) as well as the management and monitoring of the system supplier for the hosted solution.

Our review of logical security has highlighted the available password functionality has not been fully activated. In addition to this, the system administrator was not able to confirm if the security functionality referred to in the user guide is available within the current version of the application. Our testing highlighted a number of redundant accounts belonging to the system supplier, CM, which are not required and hence should be disabled. There is also no evidence of any audit trail functionality in the Call Confirm application to log key user and system administrator activity.

Testing highlighted steps have been taken to ensure access rights have been agreed and documented for internal users of the application. However, they are not documented for high privileged users. In relation to security administration we identified that; formal evidence of reviews of users is not retained, access rights are not subject to a formal review, there is a dependency on one individual to administer children's related services and a lack of procedures for security administration related activity.

Our review of the transfer of data between Call Confirm and ContrOCC highlighted that there is a single person dependency on the ICT Applications and Systems Manager to undertake all relevant tasks. A new process was introduced earlier in the year which has significantly reduced the time taken to complete the transfer,

however, the process is not automated and does not include the necessary checks and controls which are required over the manual adjustments made.

There is a lack of assurance over the supplier's arrangements for taking backups of the system and ensuring that the backup is reliable. This could lead to a loss of data in the event of a system failure and disruption to operational services, including the ability pay care providers.

Regarding support and maintenance, the review identified that there are no formal processes to manage the services provided by the system supplier. Ownership of the supplier relationship should also be reviewed.

### **Placement Decisions 2019/20**

<b>Overall conclusion on the system of internal control being maintained</b>	<b>A</b>
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<b>RISK AREAS</b>	<b>AREA CONCLUSION</b>	<b>No of Priority 1 Management Actions</b>	<b>No of Priority 2 Management Actions</b>
<b>A: Commissioning Approach</b>	<b>A</b>	<b>1</b>	<b>5</b>
<b>B: Placement Decisions</b>	<b>A</b>	<b>0</b>	<b>6</b>
<b>C: Performance &amp; Management Information</b>	<b>G</b>	<b>0</b>	<b>1</b>
		<b>1</b>	<b>12</b>

Opinion: Amber	19 December 2019	
Total: 13	Priority 1 = 1	Priority 2 = 12
Current Status:		
Implemented	0	
Due not yet actioned	0	
Partially complete	0	
Not yet Due	13	

Children's Placements are subject to continual demand pressures and make up a significant part of the £40.7M Corporate Parenting budget. The need for placements is determined by Children's Social Care staff, approved by Entry to Care Panel and then sourced by the Care & Support Brokerage Team, a function which had previously sat within Children's Social Care, but is now part of Commissioning. It is acknowledged that there are ongoing challenges in being able to source appropriate, local provision that meets the needs of the child at best value.

**A: Commissioning Approach** – The audit confirmed that there is a clear, agreed approach to the commissioning of children’s placements, to place children locally, in a placement that meets their needs at the best price. The market is challenging, with a lack of sufficient locally available specialist provision. There have also been challenges with being able to use some of the existing provision due to the complexity of the needs of different children and, where there is more than one child in a placement, how different children’s needs can be matched. There are a number of initiatives being pursued by Commissioning to try and increase the number of suitable locally available placements and there is now ongoing dialogue between Children’s and Commissioning over these initiatives, to ensure that they are successful in meeting the Council’s future children’s placement needs.

Testing noted that the current sufficiency strategy which covers the period 2018-2023 requires review and updating to reflect the current challenges in the provision of children’s placements (last reviewed in March 2019 and should be reviewed every 6 months). This is acknowledged by the service, and they are now in the process of reviewing and updating this strategy and the market position statement (produced for current and potential future providers) in conjunction with Commissioning to ensure that both documents are aligned, clear and up to date.

Work is ongoing within Commissioning to define what information is required from contract monitoring activity carried out by the Quality & Contracts team so that this can feed into and inform future commissioning activity and approaches. It was noted that responsibility for the monitoring of spot contracts, which make up the majority of current children’s placement spend at present, is not defined. It was reported that this was an area under discussion between Children’s and Commissioning. Once contract monitoring responsibilities in this area have been clarified, it will be important for information from the spot contract quality monitoring process to be considered in terms of the insight that it can provide to Commissioning for development of commissioning approaches going forward. It is acknowledged that going forward, spot contracts should be used less frequently, with new arrangements to be procured through frameworks and for historic spot contract arrangements to be gradually moved over to frameworks as well.

Following the creation of the Care & Support Brokerage Team within Commissioning, there have been some areas where there is a lack of clarity over roles and responsibilities. The Lead for Placements & Sourcing has been working through this with the team, other teams within Commissioning and with Children’s to confirm and clarify expectations, roles and responsibilities. A document has now been produced and signed off by Children’s DLT and will be communicated to relevant staff shortly. There have also been some capacity issues within the team due to ongoing staff vacancies and workload pressures. The team structure has now been updated to increase capacity and recruitment is now underway. It is acknowledged that there is a lack of process guidance / documentation available within the team, although this has not been a significant issue to date due to the experience of existing team members. The development of accurate and up to date process guidance will be important going forward as the team expands.

**B: Placement Decisions** – Audit testing found that the routine placement decision making process was clear within Children’s Social Care staff guidance and was reinforced by the Care & Support Brokerage Team through the placement search

process (i.e. part of the placement search process is to confirm that the case has been to Entry to Care Panel).

The audit also considered decision making and recording in relation to unregistered placements (pop up placements arranged by the Social Worker as a last resort if no other placements are available). It was noted that clear documented guidance on the process had been produced and circulated earlier in the year. However, sample testing on a small number of unregistered placements found that there were inconsistencies in the recording of information on LCS and in the evidencing of decision making. There was also one example reviewed where it appears that the Council have sourced and paid for an unregistered placement which should have been arranged and paid for by the Independent Fostering Agency. It has not been possible to confirm that the cost of the placement has been recovered. This is now being investigated by the Service. Children's and Care & Support Brokerage have both confirmed that issues in relation to misunderstanding of responsibilities have now been resolved.

During testing it was noted that that Placement Officers were having to spend a lot of time copying and pasting emails to and from providers into LCS which was increasing workload pressures and resulting in delays in getting information on LCS up to date. It has been reported that recording delays have now been resolved and a more efficient way of recording of placement searches on LCS is in the process of being implemented. The Care & Support Brokerage Team are continuing to work with colleagues in Children's Social Care to make improvements to processes and ensure that where the placement process has not worked as well as it could have done, that any lessons learned are taken into account in improving processes going forward.

**C: Performance & Management Information** - Over the course of the audit, there have been a number of developments and improvements in performance reporting and management information in relation to placement decisions and that give insight in relation to the agreed commissioning approach. Dashboard reporting has been developed following the implementation of LCS and ContrOCC in the summer of 2019, financial reporting has been improved and performance reporting in relation to the work of the Care & Support Brokerage team has been reviewed and improved. In addition to this, reports have been developed to monitor and improve on issues highlighted by the implementation of the new system. Whilst further reporting is being developed in a number of areas, the audit found that there is regular reporting now being received by key staff in Children's, Commissioning and Care & Support Brokerage (this reporting is via the Placement Sufficiency Programme Board as well as the Corporate Parenting Performance & Finance Meeting) which shows the cost of placements by placement type, increases / decreases in placement type compared to the previous month which would show where the commissioning approach of placing children within the County with internal care providers wherever possible was being met or where it wasn't (for example, an increase in external fostering providers or in out of county placements). Reporting has also been developed by Quality & Contracts in conjunction with Children's covering the cross regional contract (this was an area where there had been some concerns historically over whether the Council were able to use the contract in the way they wanted to and whether it was providing

value for money), this report is also now going to the Placement Sufficiency Programme Group on a monthly basis.

### **Troubled Families December Claim 2019/20**

Since the start of Phase 2 of the government's Troubled Families programme in September 2014, OCC has submitted between 2 and 3 claims per year. During 2019/20 this changed to quarterly submissions with a view to maximising the volume of claims, particularly as next year is due to be the final year of the Programme. The current claim consists of 200 families for Significant & Sustained Progress (SSP) and 9 families for Continuous Employment (CE).

The audit checked a sample of at least 10% for both claims (20 families from the SSP claim and 2 from the Continuous Employment claim), to ensure that they met the relevant criteria for payment and had not been duplicated in the current or previous claims. Their initial eligibility criteria for inclusion in the Programme were also checked.

The audit noted further improvements in the internal processes for data checking and validation, identifying only one duplicate family within this claim, and finding no issues with the eligibility or sustained progress of the families sampled. Following satisfactory responses being received for all queries raised by Internal Audit, the claim was signed off for submission.