

High Importance Recommendations at 26 April 2019

<u>Audit Title (Director)</u>	<u>Summary of Finding(s) and Recommendation(s)</u>	<u>Management Response</u>	<u>Action Date (by end of)</u>	<u>Confirmed Implemented</u>
Reported May 2019				
Property Contracts Awards (CR)	<p>Management requested an audit of the award of property maintenance contracts and the allocation of work. Whilst the audit identified poor practice and control, no evidence came to light of any wrong doing. Management agreed to act on a number of recommendations to strengthen control.</p>	<p>Agreed and a number of key improvements have already been made.</p> <p>Regular monthly property meetings attended by operational and strategic property colleagues have been established which provide an environment to build relationships and trust. The meetings also support joint working on initiatives and enable information sharing and visibility to projects and plans in both service areas.</p> <p>Extra commissioning support resource have been secured to assist with the development and procurement of new frameworks and to re-tender existing frameworks which are due for review.</p> <p>Operational Property Services have worked with the Commissioning Support Unit to develop a procurement approval process to ensure that senior property managers have visibility of</p>	June 2019	

		<p>the planned, procurement approach, market engagement and the selection and appointment of contractors onto a framework.</p> <p>The AD and Head of Service have held regular meetings to follow up actions post- audit, including regular meetings with the relevant budget and contract manager in Operational Property Services.</p> <p>Communications have been disseminated to managers and budget holders reminding them to minimise any off-contract spend and identify any areas where a new contract or framework should be developed for supplies or services.</p> <p>Internal Audit Service will further review the management information system in late spring.</p>		
Leicestershire Schools Music Service (CR)	At management's request a review of the financial, operational and governance arrangements in place surrounding the Leicester-Shire Schools Music Service (LSMS) and it's at arm's length charity, the Leicester-Shire Music and Cultural Trust (LMCT) was undertaken. This review included the separation of responsibilities between both the LSMS and the LMCT and to assess that proper procedures are in place for the administration of ensembles.	<p>Agreed</p> <p>Work is underway to develop new operational and governance processes which will separate and clarify the respective roles of the Trust and the LSMS. This will include amended Job roles, contracts and alternative transport arrangements.</p>	September 2019	

	<p>A number of recommendations and an action plan for implementation were agreed with management, including improved governance arrangements, clearer job roles and responsibilities, revised contracts and overtime arrangements, revise procurement of transport.</p> <p>Whilst none of the recommendations was deemed individually as “high importance” collectively the recommendations will require a targeted follow up to ensure improvements have been made.</p>			
<p>Substance Misuse Strategy – Residential Rehabilitation (PH & A&C)</p>	<p>Findings: -</p> <ol style="list-style-type: none"> 1. An incorrect discharge date had been input to the case management system which allowed a provider to be overpaid by just over £36,000 for over a year 2. Whilst the budget is complex (placements not directly made by the budget holder and contains other charges), monitoring procedures were not sufficiently robust. Responsibility for the Residential Rehabilitation budget is in the process of being transferred from Adults & Communities to Public Health. This will give the opportunity for current systems and processes, for example with regard to budget monitoring, to be reviewed by Public Health and, where necessary, strengthened. <p>Recommended</p> <ol style="list-style-type: none"> 1. Recover the overpayment with immediate 	<p>Agreed</p> <ol style="list-style-type: none"> 1. Recovery by raising a debt is underway 2. When the budget transfers to Public Health it will ensure a list of individuals that have been agreed via the new panel system is kept and reviewed monthly against invoices and spend. Providers will be contacted to cross reference invoices submitted with individuals in rehabilitation. 	<p>June 2019</p>	

	<p>effect and review current systems to determine how controls failed to identify this significant error and what processes can be modified moving forward to prevent recurrence, e.g. tighter budget monitoring.</p> <p>2. Monthly budget monitoring should confirm that all charges to the budget are to relevant providers and for current service users, cross referencing to a dynamic schedule of service users to facilitate this process.</p>			
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Reported January 2018				
Office Safes (A&C)	<p>An investigation into the potential misuse of a service user's funds identified that the employee under suspicion had been able to deposit a large sum of cash into an area office safe, with no evidence of questions asked nor checks undertaken and no record of the deposit. The safe also contained cash and other valuable items held on behalf of service users which are not covered by the LCC insurance policy. Visits to other sites revealed similar with improvements required for controlling access and recording contents.</p> <p>The Department had previously identified gaps in its management of service user's personal property, including that in safes and had instigated a multi-function working group to review and improve practice and put into place a policy. Recommended that finalisation of the policy should be expedited and rolled out to Area Offices regarding safes and contents. Unannounced follow up audit visits will take place.</p>	<p>Agreed</p> <p>The policy was approved at the Department's Management Team (6 February).</p> <p>Internal Audit Service will undertake further unannounced checks on whether procedures are being complied with.</p>	<p>March 2018</p> <p>Extend to end of June 2018; September 2018</p> <p>January 2019</p> <p>April 2019</p>	Yes

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