

Appendix Two: Executive Summaries of Audit Reports

The following Executive Summaries have been issued for the audit opinion reviews finalised between October and 23 January 2024 and as requested by Audit Committee are attached below for information.

<i>Ref</i>	<i>Audit Title</i>
A	Waste and Street Cleansing Contract Performance Management
B	Repairs and Maintenance Contract (Housing Services) Performance Management and Reporting
C	St Francis Primary School
D	Manchester Hospital Schools
E	Direct Payments
F	Adults Quality Assurance Framework

Where grant certification work is undertaken and certification criteria are met, it is standard practice to issue a shorter report without an executive summary. This was the case for our certification activity in respect of the Family Hubs and Start for Life Programme.

Executive Summary A

Internal Audit Report 2023/24

Neighbourhoods: Waste and Recycling

Waste and Street Cleansing Contract Performance Management

Distribution - This report is confidential for the following recipients

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Draft Report Issued	28 September 2023
Final Report Issued	18 January 2024

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over the operation of the Waste and Street Cleansing contract performance framework.	Reasonable	High

Sub objectives that contribute to overall opinion	Assurance
Roles, responsibilities and expectations are clearly defined and met.	Substantial
There are systems in place for validating performance reported by the contractor.	Reasonable
There is evidence to confirm compliance with contract performance requirements.	Limited
There is appropriate escalation action taken in response to poor performance and in line with the Price Performance Mechanism (PPM) contract terms.	Reasonable

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
We recommend that the inspectors record the date failures are reported to the contractor and rectified and that price deductions are applied as per the PPM for all missed Service Level Agreements (SLAs).	Significant	6 months	31 January 2024

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 The management of household waste and street cleansing are key functions of the Local Authority and are services of significant importance to every resident of the City. The current contract for waste collection and street cleansing was awarded to Biffa in 2014, through a competitive tendering process, and in line with contract terms it was extended in 2023 for a further 8 years. The annual cost of this contract is c£15m.
- 1.2 In May 2017 Internal Audit provided positive assurance on the overall arrangements in place for the management of this contract in and also provided assurance over the Payment Performance Indicators (PPI) within the PPM in January 2018. Given the importance of the contract's success to the Council and its residents, and that it has been reported that the current street cleansing services do not deliver the standards expected by members or residents, we agreed with the Strategic Director of Neighbourhoods to review the contract performance framework, with a focus on street cleansing. This can be subject to negative perceptions and has incurred additional resources to supplement self-reporting by the contractor. There are a number of additional factors which impact on street cleanliness, including growth of the city and city centre, changes in business and trade, increased numbers of events and increased foot traffic.
- 1.3 Given its value, the importance of the services to the Council and its residents, and recent challenges with perceptions over quality and delivery from Members and the public, we agreed with the Strategic Director of Neighbourhoods to review the street cleansing contract performance framework. We consider the business impact to be high.

2. Conclusion and Opinion

- 2.1 Overall, we can give **reasonable** assurance over the operation of the performance framework for the street cleansing element of the waste and street cleansing contract.
- 2.2 There were clear roles, responsibilities and expectations defined within contract documents and these were understood by both parties. Robust governance arrangements were in place and there was evidence of good communication between the Council and contractor. Management had recognised the need for further improvements to the service which were being progressed through a number of strategies and service improvement groups.
- 2.3 Whilst there were no systems in place to validate the performance that was self-reported by the contractor due to IT and other challenges, we were satisfied that there was a thorough inspection regime whereby Council officers undertook daily inspections to ascertain if expected standards had been met by the contractor. We did note some challenges with the current process, which is time consuming given it is being done on paper and excel spreadsheets. This could be made easier by the new technologies which are currently being introduced for arterial routes and may be rolled out to other areas if these prove valuable.

- 2.4 We found that deductions for poor performance of street cleansing had not been applied as per the price performance mechanism within the contract, due to a lack of rigour in the administration process. However, we note that 2022/23 attracted £48,000 deductions for the waste element. We were advised at the time of our fieldwork that improvements to the contract management arrangements and capacity will be addressed through a staffing restructure, which links to a wider re-structure in the 'Neighbourhood Delivery' area of the Neighbourhood Directorate.
- 2.5 Our testing highlighted that the contractor was not complying with contract performance requirements in all areas, however we note that there are a number of inherent challenges both with the contract and the service itself, which can impact on service delivery. General challenges were discussed with management, including and factors within communities in Manchester such as deprivation and difficulties sustaining pride in place that can lead to high levels of littering and labour market challenges experienced by the contractor in employing and retaining staff in this line of work. We have included our assessment of the extent of compliance with contract requirements in Appendix 2, however it has been acknowledged by both parties that some aspects of the contract are poorly worded and the original performance indicators were not the best measures. Agreed criteria and monitoring between the Council and the contractor have evolved throughout the length of the contract.
- 2.6 Despite difficulties with the contract and performance requirements, performance is being measured and monitored and acted on and the contractor is being held to account, although the extent to which this is happening could be improved with consistent application of the Payment Performance Indicators (PPIs).
- 2.7 We have made one significant and four moderate recommendations to enhance levels of control and ensure that the potential risks are mitigated.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1 The Council team comprised of a named contract manager, a contract compliance team and an engagement and service improvement team as well as an officer charged with strategic oversight. This enabled focus on contract management, compliance and service improvement.
- 3.2 There were clear communication channels between the contractor and the contract management team and assigned leads enabled effective communication between the two parties.
- 3.3 There was a robust contract governance framework in place to oversee operational delivery of this contract as well as senior officer oversight and scrutiny. The governance structure was in line with the contractual agreements, with regular meetings taking place with the contractor at both strategic and officer levels. Various boards oversaw contract performance and compliance, and these were well attended by both parties. These included the

Partnership Board (Strategic), Performance Contract Management Group (Performance) and the Neighbourhood Liaison (Local Governance).

- 3.4 Section 36 and schedule 12 of the contract documentation covered the performance reporting requirements and were clear that it is the responsibility of the contractor, and not the Council, to report on performance and to ensure that the services are performed in all respects in accordance with the Service Provider's obligations. The contractor monitored their own performance and provided a monthly report to the contract team. Contract terms were clear on the approach to poor performance and expectations of both parties. Discussions with the contract team also confirmed that the meetings were an opportunity to discuss areas which fall below expectations.
- 3.5 Waste, recycling and street cleansing reports are presented annually to the Environment, Climate Change and Neighbourhoods Scrutiny Committee (last presented in October 2022). The reports provided members with an update on the progress of service changes to the contract and an update on contractor performance. In addition Neighbourhoods DMT and ward members received quarterly reports which included inspection performance highlights and CRM quality inspections and an outline of service performance.
- 3.6 In addition to the contractor's self-reporting, a regime of internal inspections has been implemented. These are undertaken on the day of cleanse by two trained Council officers in line with Keep Britain Tidy NI195 methodology, outlined by the contractor's cleaning schedule. These quality checks provided assurance that quality and contractually agreed standards were being maintained.
- 3.7 We tested data from 280 inspections conducted over a two week period in May 2023 and highlighted a number of areas identified as good practice by Keep Britain Tidy's expectations: 100% correct land use, 100% evidence for survey, 100% identified transect (stretch of highway/footway graded), 100% fails referred to the contractor (including photos of each), 100% of reports shared with stakeholders, and 95% of failures were rectified and evidenced by the contractor. Other relevant information was recorded on inspection reports for example bins that need emptying, recommendations, and general issues. Testing showed that the inspections included a spread of both geographical area for the North and South of the City and a mix of land use types (e.g. district centre, residential and cycle lanes).
- 3.8 As per the governance arrangements set out in the contract a Service Improvement and Innovation Group, made up of contractor and Council officers met monthly to review service issues. This had led to recent improvements, for example the contractor has trialled a new way of working in the North of Manchester, which has led to improvements in standards (although these have not yet been in place long enough to show that they will be sustained). In addition there have been technological improvements including new Personal Digital Assistant (PDA) devices for contractor inspections of arterial routes. These send real time inspection reports to the Council and will significantly increase the reliability of data if these can be rolled out for all land use types.

- 3.9 There were a number of aspects where the contractor was compliant with key contract performance requirements, for example: monthly, quarterly and annual reports from the contractor were provided in a timely manner, the contractor has a dedicated team to manage the contract who are responsive to any relevant officers from the Council, a target of more than 80% of relevant land and highways being assessed as Grade B or above of the Cde of Practice on Litter and Refuse (CoPLR) guidelines has been achieved.
- 3.10 As per the governance arrangements set out in the contract a Service Improvement and Innovation Group, made up of contractor and Council officers met monthly to review service issues, performance information, feedback from customers (received via complaints, enquiries, service requests, member feedback and feedback from wider Neighbourhood Teams). The Council has also undertaken resident surveys to measure satisfaction levels about broad priorities the Council is required to deliver on including satisfaction with environment (cleanliness).

Key Areas for Development

- 3.11 The Council contract performance team were not undertaking validation checks on the performance information reported by the contractor, carrying out spot checks on contractor inspections or requesting supporting evidence to confirm the rectification of previous 'fails' by the contractor. This was predominantly due to the evidence base and the difficulties of deterioration after the data is received. This will be improved if the PDAs are rolled out however at present these are only used on arterial routes. The team were also not including the contractor's inspection information in monthly reporting which is potentially missing significant amounts of data (for example the contractor reported 2612 inspections for May 2023). We were told this was also due to limited resources and IT challenges faced by inappropriate systems.
- 3.12 The use of paper inspection forms and excel spreadsheets is time consuming and subject to errors in completion and consistency. We found differences in the way inspectors recorded failures and rectifications on the spreadsheets.
- 3.13 The contract states that the contractor 'will use the most appropriate technology to facilitate communication and service delivery such as PDA's, tablets, mobile phones or radio systems and GPS for vehicle tracking.' Very little of this is used for street cleansing although we were informed that progress has been made with handheld devices. We were told that there were limitations in this area, in part due to integration between the Council's system (CRM) and the contractor's system (Whitespace). Following agreement of the contract extension, an improvement plan was proposed by the contractor which included an upgrade to the latest version of Whitespace to allow them to modernise and manage the operation more effectively. This will only be possible once the replacement CRM system is in place which is due to be March 2024.
- 3.14 Whilst the contractor is rectifying any 'failures' identified by the Council, these have not been completed in line with SLA timescales in the majority of cases and there have been no recent deductions for street cleansing failures. In May 2023, 78% of the rectifications tested were outside of SLA timescales (of

those with dates recorded) which should have prompted a minimum £6,000 of potential deductions in line with contract requirements. These dates were not always recorded so application of this PPM had been missed in error.

- 3.15 We note that the City Centre was only inspected approximately half a day a week, although we were informed that recruitment for an additional FTE City Centre inspector was underway. We support this approach as the City Centre would benefit from greater scrutiny of the service provided due to the higher footfall and higher levels of littering.
- 3.16 We have included our assessment of the extent of compliance with street cleansing contract requirements in Appendix 2 (summarised below). The contractor falls below the expected requirements in a number of areas, despite the positive communication and improvement plans. We note that there are a number of areas where the contract requirements are not always clear.

Contract Requirement	RAG Rating ● ● ●
All streets inspected and cleansed within SLA	●
Contractor reporting on performance	●
SLAs met	●
Demonstrating evidence of cleansing	●
Dedicated team and responsiveness	●
Appropriate technology	●
Continually improving service	●
Methodology for cleansing	●
Financial penalties applied	●

Executive Summary B

Internal Audit Report 2023/24

Housing Services

Repairs and Maintenance Contract (Housing Services): Performance Management and Reporting

Distribution - This report is confidential for the following recipients

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Draft Report Issued	11 December 2023
Final Report Issued	22 January 2024

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance over the contract and performance monitoring arrangements for the repairs and maintenance contract.	Limited	High

Sub objectives that contribute to overall opinion	Assurance
Roles and responsibilities for contract management, monitoring and performance are clear, complete and effective.	Limited
Adequate systems and processes are in place to validate the performance data provided by the contractor.	Limited
Performance reporting is clear, accurate and complete	Limited

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
Formalisation of roles and responsibilities over contract and performance management.	Significant	6 months	30 June 2024
Use of the contract extension exercise to strengthen shortfalls in the current contract terms.	Significant	6 months	30 June 2024
Exploration of options to address IT issues.	Significant	6 months	30 June 2024
Establishment of a consolidated record of issues, escalated items and areas for improvement.	Significant	6 months	30 June 2024
Improvements to the current KPIs including the addition of measures over cost and efficiency and addressing gaps in the definition of all KPIs.	Significant	6 months	30 June 2024
Establishment of a comprehensive programme of quality checks.	Significant	6 months	30 June 2024
Development of mechanisms to validate the accuracy and completeness of performance data supplied by the Contractor.	Significant	6 months	30 June 2024
Establishment of assurance mechanisms to ensure the timely completion of additional works following a failed compliance inspection.	Significant	6 months	30 June 2024

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 The repairs and maintenance service for Council residential properties has been provided by Equans through a contractual arrangement since April 2021 and has recently been extended for a period of up to three years. The contract going forwards will have an annual value of c£17.5m. Robust arrangements over contract and performance monitoring are therefore essential to ensure the effective delivery of the contract and ensure compliance with the Council's Financial Regulations.
- 1.2 Following discussions with management and concerns raised at Resources and Governance Scrutiny Committee we agreed to review the current contract monitoring arrangements and performance indicators to provide assurance that these are robust and accurately reflect contract performance. A lack of robust contract monitoring activity could result in poor value for money and failure to secure performance levels required from this contract. In addition non-compliance with housing legislation could result in reputational damage, criminal charges or financial penalties; and most importantly could put residents' health and safety at risk. As such we consider this area to have a high business impact.

2. Conclusion and Opinion

- 2.1 Overall we are able to provide **limited** assurance over the contract and performance monitoring arrangements for the repairs and maintenance contract (Residential Properties).
- 2.2 We can take some assurance from the existing governance framework which included the provision of key oversight from the Housing Services Senior Management team and operational boards. The governance structure also provided a line of accountability from tenant and resident groups through the Housing Advisory Board, Strategic Partnership Board and Housing Services Improvement Board to the Council's Scrutiny and Executive Committees. Regular reporting was evident and supported by minutes, papers and actions where relevant.
- 2.3 It is worthy of note that the audit opinion is based on the findings from our fieldwork which reflects the position at the time, predominantly based on data from August 2023. There have been recent improvements within the systems and processes and the majority of our findings were already understood by senior management and development actions were underway. The Council had also commissioned work to provide assurance on the Council's approach

to building safety compliance which demonstrates a commitment to improving the current position.

- 2.4 There was a positive direction of travel which included development work on a revised structure, repairs playbook and rulebook and arrangements to ensure the accurate and complete flow of data through reports, with the aim of all reporting to be based on data from QL (housing management system) rather than relying on data from the contractor and the use of local spreadsheets. While these had not been fully completed, we took assurance from the commitment and proactive approach to making improvements by the new management team and continued momentum should lead to improvements in the governance, risk and controls in this area.
- 2.5 However, whilst we acknowledge the positive direction of travel, there were a number of significant issues which led to the limited opinion. Ultimately, we could not obtain assurance over the integrity, quality and completeness of the data being reported by the Contractor. Areas of concern from the audit included unclear roles and responsibilities, over-reliance on performance data supplied by the Contractor- with few systems in place to validate data provided, capacity challenges and inadequate IT infrastructure. As such, significant officer time and resources were having to be expended on time consuming practices, impacting on the ability to undertake post inspections or quality checks of work completed by the Contractor and a lack of capacity to ensure follow-on jobs (arising from mechanical and electrical compliance work) were being completed. The table below summarises the key findings from our testing of the performance data reported for 20 key KPIs. Full details can be found in the tables in Appendix 2 and 3:

Summary findings from audit testing of 20 KPIs (August 2023)		
Actual data confirms contractor is meeting targets	●	In August the contractor reported meeting 9 of the 20 KPIs
Contractor and system (QL) figures match	●	The QL figures for August matched those reported by the Contractor for 7 out of 20 KPIs
Council data validation is undertaken	●	Contractor data was being validated for 9 of the 20 KPIs
Council data validation is possible	●	Data validation would be possible for all 20 KPIs if underlying data were provided by the contractor
Audit validation of data	●	Audit were able to validate the data for 6 of the 20 KPIs

- 2.6 There are a number of longstanding legacy issues concerning the robustness of contract terms, subsequent mechanisms for management of contractor performance and a disconnect between finance and performance which has had an impact on the delivery and performance of the contract. Further to this there has historically been a lack of resources assigned to this work, relationship challenges with the Contractor and inadequate capacity,

capabilities, and IT support. These are changes that will require significant time and resources to overcome.

- 2.7 We have made eight significant and one moderate recommendation to enhance levels of control and ensure that the potential risks are mitigated.

3. Summary of Findings

Roles and Responsibilities

- 3.1 There was an overall lack of clarity over key roles and responsibilities for contract and performance management of the contract. At the time of our review there was no formal contract manager to lead and coordinate contract and performance management activity with these duties discharged by various officers. This meant that duties were spread which is inefficient and likely to lead to inconsistency as well as risk omission or duplication. We understand a considerable number of officers interact with the contractor but the streamlining of this could be improved through the formal assignment of a contract manager. We were told that this process was underway with a new repairs structure (awaiting approval) and the head of repairs and maintenance post awaiting HR evaluation.
- 3.2 During the course of our work we were made aware of a number of issues and areas for improvement which had been identified by Housing Services colleagues and raised with the Contractor directly by email, verbally or through the Client Contractor weekly meetings. However, as there was no operational contract manager or single point of contact these have been raised individually and there was not a consolidated record of issues raised. As such, we were unable to gain assurance that all issues identified had been communicated, agreed by the Contractor or that they were being tracked and monitored to ensure the timely resolution of issues.
- 3.3 A new data analyst team had been created to support performance monitoring and information reporting. This has led to the creation of a new dashboard for reporting to senior management, the Housing Services Improvement Board (HSIB), and Housing Advisory Board (HAB). This function will ensure that future reporting is centralised, consistent and based on data extracted directly from the Council's Housing (QL) system, reducing reliance on the Contractor's performance reports, and strengthening data integrity.
- 3.4 The contract was awarded prior to the Arm's Length Management Organisation being brought back into the Council and is due to expire in April 2024 however, work is underway to extend the contract beyond this time. As part of decision making around the extension of the contract there have been concerns from Members and a lack of confidence in reported data and performance. We note there are limitations with the existing contract, which was established as a partnering contract, and lacked appropriate details to facilitate robust contract and performance management. For example, there was a lack of detail within the contract in terms of performance management and requirements of both parties. Whilst the contract award report did provide further detail over expectations around continuous improvement, options for changing targets, the implementation of improvement plans, invoking of penalties or changes to exclusivity arrangements, these were not applied

during the original contract term. Senior management acknowledged the pitfalls of the partnering contract which should have evolved during the contract term and to strengthen arrangements and improve effectiveness of the contract moving forward the Contractor is working on a new Target Operating Model.

- 3.5 Additional positive work was underway to develop a repairs playbook and rulebook, guides for officers providing clarity over reporting expectations and timescales and key repairs definitions to ensure the correct treatment of a repair from the outset. In addition work was undertaken with the contact centre to ensure calls are dealt with appropriately at the first point of contact.

Contract Management Meetings

- 3.6 A range of regular meetings were held between the Council and Contractor, including a weekly Client/Contractor meeting and weekly meetings between the Strategic Lead Assets and a senior officer from the Contractor. We saw evidence of issues being escalated, particularly in relation to compliance KPIs. There were also weekly meetings introduced to focus on Work in Progress (WIP) and in particular to oversee actions for the reconciliation of data from the Contractor and from the Council's QL system to help ensure performance reporting is accurate and complete.
- 3.7 Weekly Client/Contractor meetings were attended by a large number of operational officers and minutes produced. In reviewing the minutes we made a number of observations which in our view may affect the effectiveness of these meetings. More detail is provided in the recommendations table but includes the large volume of areas discussed, missing information, robust and clear recording of action points and the successful tracking of these from one meeting to the next. Suggested improvements should be considered in formalising future contract management activity.

Key Performance Indicators

- 3.8 There was a suite of 20 key KPIs which were established at the commencement of the contract and formed the basis of audit testing (these are listed in the tables in Appendix 2 and 3). KPIs were being reported to the Strategic Partnership Board (SPB) and key elements were also reported to the Housing Services Improvement Board (HSIB). We highlighted some discrepancies, for example the figure being reported in relation to emergency work was the number 'attended' on time rather than 'completed' and a further six indicators had not been defined in the KPI criteria document to confirm the method of calculation and timescales in order for the service to be 'on time.'
- 3.9 A new, more comprehensive management dashboard was recently created which includes new indicators following key legislation changes. This is reviewed by management on a weekly basis and also forms part of reporting to the HSIB this will help in providing assurance over wider elements of service delivery.
- 3.10 We did note a lack of coordination in the compilation of voids related data leading to some confusion amongst officers regarding current KPI information on voids. This was due to the reporting of data by three different groups: the

Contractor, the new tenancy team and the business analyst team. The varied parameters used in compiling the data meant that the figures differed from each source and were not comparable. We were therefore unable to validate any of this data.

Validation and Data Quality Checks

- 3.11 Data for ten of the twenty main KPIs, predominantly within the mechanical and electrical areas, was being validated to source documents by Council officers. For example all compliance certificates for mechanical and electrical inspections were viewed by officers and saved to file.
- 3.12 However, performance data was largely supplied by the Contractor with little or no supporting evidence or underlying records to corroborate the position being reported, this was the case for half of the KPIs. Our discussions with key officers indicated that there was an awareness that the figures reported by the Contractor were often inaccurate and did not match the Council's view of performance. In instances where the Council's records did not agree to the Contractor's data, we were concerned over the ability to reconcile the figures given challenges over the completeness and accuracy of some data and the sustainability of reconciliation activity given previous attempts had proved to be very time and labour intensive. Management confirmed that the recent introduction of regular reconciliation work of the Work in Progress (WIP) should give greater confidence over all of the figures going forward.
- 3.13 The lack of validation checks for some elements of performance limits assurance over the accuracy and completeness of those data sets. As part of audit testing, we attempted to validate the performance reported for the KPIs although we were unable to do this for half of the key performance indicators. This was because no underlying data had been provided by the Contractor at the time of reporting and was not supplied to us when requested, during the audit. The table in Appendix 3 provides further information about this.
- 3.14 In some instances where underlying data for the performance indicators was provided, we were unable to reconcile the figures reported (along with key officers) and therefore gain assurance over the accuracy of the position being reported. For example, for August, the percentage of jobs completed on first visit was reported by the Contractor as 76.7% however when we selected complete jobs from the raw data it showed 70%. Whilst in this case the raw data provided came from within the Council, the Contractor input the figures into their weekly reporting and did not provide on request the underlying reconciliation. The Contractor stated this was due to the size of the underlying data sets, however this highlights the poor Contractor management and relationship between the parties.
- 3.15 Where we were able to undertake testing (validation of the performance data reported to underlying, base data), for example for mechanical and electrical KPIs, we identified some errors as a result of data being manually input into excel rather than being extracted directly from the system. In these cases, there was an overreliance on excel spreadsheets and a number of very time-consuming practices. For example, the spreadsheet for electrical testing had over 12,000 properties and each certificate was manually filed and data manually input into excel. We also highlight that this time-consuming task was

often being undertaken by senior quantity surveyors which impacted significantly on the time available to undertake post completion quality inspections. This therefore had a direct impact on the Council's assurance over the quality of work completed by the Contractor and exposes the Council to risks should a lack of compliance with contractual, quality and/or legislative requirements go undetected. Management confirmed to us that they are working towards all data being on QL and the reduction of spreadsheets, this was already evident for Damp and Mould and Disrepairs data which has moved from spreadsheets to QL.

IT Issues

- 3.16 IT and system issues were a factor in the challenges associated with obtaining a single view of the performance position. There was a lack of clarity over QL reporting parameters which had been set a number of years ago and whether these could be contributing to discrepancies in reported figures. For example, the Contractor reported 94.7% of work orders completed by appointment for August however the same report extracted from QL created a figure of 51.7%. Officers were unclear what the parameters within the reporting were or why there could be substantial differences between the figures. The table in Appendix 2 provides further details on the figures reported.
- 3.17 In 14 out of the 20 KPIs there were issues with the interfaces between the system used by the Contractor (Castleton) and QL which caused discrepancies with the reporting. For instance we were told that QL only keeps a record of the first appointment made therefore performance information for jobs where there have been multiple visits will always be inaccurate. The systems and interface were also slow and therefore it was time consuming to complete data quality checks.
- 3.18 IT access to the Contractor's system was limited; some officers were able to view read only, however others, including the Business Analysts were not able to view any information within the Castleton system due to lack of permission which prevented officers from being able to view the current position or more easily investigate discrepancies where identified.

Other Areas of Concern

- 3.19 Where 'fails' were identified from compliance inspections, for example gas and electrical, follow up jobs were manually raised and saved onto a spreadsheet and were often not being followed up by the officer raising the request to ensure that these had been completed. For one example of emergency lighting servicing, there had been a number of fittings that failed the test that constituted an almost full block failure. A request was emailed to management however this was not followed up on and no subsequent job was raised. This exposes the Council and Residents to increased risks if work to rectify non-compliant inspections are not resolved in a timely manner.
- 3.20 Minimal quality checks were being completed on works undertaken by the Contractor and Subcontractors. For example, we were told that there should be quality checks completed on 10% of all repairs jobs and on properties with a Landlord Gas Safety Record (LGSR) and we did not see any evidence of

these checks having been completed for over 12 months (although we note that all compliance certificates were checked). We were told this was due to staffing issues within Housing Services. Additional administrative support was included within the new structure proposals which would provide additional capacity to support with administrative tasks allowing Senior Quantity Surveyors to complete more inspections which we support.

- 3.21 There were a number of gaps in the performance data where work was undertaken by a subcontractor as the Contractor's system was not always completed with relevant data / evidence submitted by subcontractors therefore the ability to validate the performance information was limited. We were told this supporting information was provided by the subcontractors but was not uploaded by the Contractor onto their system due to staffing issues.
- 3.22 Whilst out of the scope of this review, we found that the performance data and performance did not include any indicators related to costs and did not appear to be linked to payments requested by Equans. Operational staff were unclear how the charging operated or how charges were reconciled. In the absence of a head of repairs it was unclear who was coordinating this. We were told that work is underway to make improvements in this area.

Executive Summary C

Internal Audit Report 2023/24

Children's and Education Services

Financial Health Check: St Francis R.C Primary School

Distribution - This report is confidential for the following recipients

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Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance to the Governing Body and the Local Authority over the adequacy, application and effectiveness of financial control systems operating at your school.	Limited	Medium

Sub objectives that contribute to overall opinion	Assurance
Allocation of financial roles and responsibilities.	Limited
Long term financial planning, budget approval and monitoring and recovery planning.	Limited
Key financial reconciliations.	Reasonable
Expenditure, specifically purchasing and payroll.	Limited
Income collection and recording.	Limited

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
Update the Scheme of Delegation/Financial Procedures to address the issues raised in our report and	Significant		Action completed
Minutes of Governing Body meetings should confirm all discussions, as well as any actions/decisions reached.	Significant		Action completed
The draft CFR should be approved at the next meeting of the Governing Body and signed by the Chair and Head Teacher.	Significant		Action completed
Financial reports should be produced in time for Finance Committee meetings.	Significant		Action completed

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
A costed three-year development plan should be developed and then approved by the Governing Body.	Significant	6 months	30 April 2024
Arrangements for completion of payroll reconciliations should be strengthened to include timely and evidenced completion and approval.	Significant	6 months	Action completed
Quotations should be obtained to demonstrate the best value for money option is taken for all purchases over £2,000. If exemptions set out in the Schools Financial Regulations apply, approval should be sought by Governors which should be minuted.	Moderate	9 months	Action completed
Staff should be reminded of the need to comply with the School's Financial Regulations and Schools own SoFD and FPs for all purchasing activity.	Significant	6 months	Action completed
Arrangements for use of the school debit card should be strengthened to ensure transparency, value for money and controlled access to the card.	Critical	3 months	Action completed
Arrangements for the collection of school meals income should be updated to ensure that the school meals patterns and free school meals status for all pupils are correctly recorded on SIMS. Procedures for the monitoring and collection of arrears should be implemented, with a clear policy introduced for the recovery of debt.	Critical	3 months	Action completed
A school lettings policy should be developed to set out the approach to lettings.	Critical	3 months	Action completed

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
This should be supported by procedures for the administration and management of the lettings process, including written agreements.			

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 The 2023/24 Internal Audit plan included an allocation of time to complete financial health checks at a sample of Local Authority maintained schools. St Francis R.C. Primary was selected as part of this programme of audits, due to concerns raised by MCC's Schools Finance Team in relation to the school budget/cashflow position, issues identified at the last audit and also changes in the leadership/finance team. This review was completed as a site visit to review paper records and documentation. Internal Audit have reviewed evidence and this report summarises the outcome of our assessment.

1. Conclusion and Opinion

- 2.1 We are only able to provide Limited assurance at this stage over the adequacy, application and effectiveness of financial control systems operating at the school. This is due to the number of critical and significant risk recommendations made in the report (3 critical, 7 significant). We are particularly concerned over issues we raised as critical risk recommendations and consider initial focus should be on these areas. Specific concerns have been raised in relation to the school debit card procedures; level of school meals debts and implementing policy and procedures for the collection of arrears; and ensuring that written agreements are held for any lettings of the school building/grounds to third parties.
- 2.2 We do acknowledge that the school has been through a challenging period; there have been changes in leadership and the Business Manager has been on sick leave since June 2022. Some roles and responsibilities have been covered by agency staff from October 2022 as an interim measure. It has

been confirmed that the School Business Manager will not be returning to her role due to ill health/retirement and therefore the Head Teacher has recently been able to start the recruitment process to appoint a replacement Business Manager, which should help to bring stability to the School's financial management arrangements.

- 2.3 During the audit, the Head Teacher advised that a number of unpaid invoices had been discovered, which dated back up to two years. Subsequent payment of the invoices, totalling c£70k, had a significant adverse impact upon the budget/cash position of the school during 2022/23 and had also taken the already limited financial support away from day-to-day planned activities. The Head Teacher also reported issues with accessibility to financial information for an interim period following her appointment, which prevented effective oversight and scrutiny of School finances.
- 2.4 We have directed the recommendations for improvement at the Head Teacher to lead on implementation. However, we would expect that once a new School Business Manager is in post that this individual would assume responsibility for leading on the implementation of recommendations.

2. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1 Testing showed that new starters and leavers were set up on payroll correctly and on a timely basis and that leavers were removed promptly.
- 3.2 The Head Teacher has implemented a process where the Chair of Governors is copied into all staff pay rise requests, to ensure Governor oversight and scrutiny of decisions.
- 3.3 Bank reconciliations were up to date and signed to confirm preparation/review. Suitable backing documentation was held on file. We gained assurance that unreconciled items had been dealt with on a timely basis.
- 3.4 School is cashless and minimal cash is therefore held. We also noted that safe access was restricted to the Head Teacher.

Key Areas for Development

- 3.5 We have made three critical, seven significant and one moderate risk recommendations to help improve financial controls across the school. The critical and significant risk recommendations specifically relate to the following issues:
- The Scheme of Financial Delegation (SoFD) and Financial Procedures (FP) should be updated to cover all key financial systems and controls, with appropriate version control implemented. The up-to-date version should be presented to the Governing Body for approval and shared with staff with financial responsibilities, to ensure that they are working to the correct version.

- Minutes of Governor meetings should provide evidence of key discussions and include all actions/decisions reached.
- The draft CFR should be approved at the next meeting of the Governing Body and signed by the Chair and Head Teacher. A clear timetable should be introduced for 2023/24 to ensure timely and accurate reporting of the school's financial position at year-end. All relevant financial reports should be timed to be produced in accordance with the schedule of Finance Committee/Governing Body meetings so that information can be properly scrutinised by Governors.
- The Head Teacher and School Business Manager should ensure that a record is maintained of any meetings held to discuss the budget with formal meetings on at least a monthly basis.
- A costed three-year development plan should be developed, which should then be approved by the Governing Body.
- Payroll reconciliations should be undertaken on a monthly basis. Records should be signed and dated as evidence of completion and review.
- All higher value purchases should be reviewed, challenged, and approved by Governors and if the school are applying an exemption this should also be approved by Governors before the purchase is made.
- Purchasing controls should be improved to ensure compliance with the Financial Regulations and Scheme of Delegation and Financial Control document for all purchases. In particular purchases must be raised on FMS in advance of the purchase being made with the supplier, all suppliers should be paid within 30 days unless there is a dispute with regards to the order.
- The school should seek to establish if the cost of the Hotel Football event should be reimbursed to the School by the Cluster.
- The system and processes around the use of the debit card should be reviewed.
- The current arrangements for the collection of school meals income and the monitoring of arrears should be reviewed, ensuring that the school meals patterns and free school meals status for all pupils are correctly recorded on SIMS, with policy and procedures implemented.
- A school lettings policy and procedures to set out the school's approach to lettings should be implemented. This should include the types of lettings, charges etc. Written agreements should be in place for all third-party use of the premises. A lettings agreement for the arrangements with the before and after school club provider should be developed.

Executive Summary D

Draft Internal Audit Report 2023/24

Children's and Education Services

School Financial Health Check: Manchester Hospital School

Distribution - This report is confidential for the following recipients		
Name	Title	
Janet Doherty	Headteacher	
Marc Smith	Chair of Governors	
Catherine Charnock	School Business Director	
Councillor Bridges	Executive Member for Children and Schools	
Joanne Roney	Chief Executive	
Carol Culley	Deputy Chief Executive and City Treasurer	
Fiona Ledden	City Solicitor	
Paul Marshall	Strategic Director, Children's and Education Services	
Amanda Corcoran	Director of Education & Skills	
Vandhna Kohli	Directorate Finance Lead, Children's Finance	
Andrea Daubney	Strategic Head of Schools QA & SEND	
Amelia Salford	External Audit (Mazars)	
Report Authors		
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Head of Audit and Risk Management	Tom Powell	800 35273

Draft Report Issued	4 January 2024
Final Report Issued	11 January 2024

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance to the Local Authority and Governing Body over the adequacy, application and effectiveness of financial control systems operating at your school.	Substantial	

Sub objectives that contribute to overall opinion	Assurance
Allocation of financial roles and responsibilities	Substantial
Long term financial planning, budget approval and monitoring	Substantial
Key financial reconciliations	Substantial
Expenditure, specifically purchasing and payroll	Substantial
Income collection and recording	Substantial

Summary of Key Actions	Risk	Priority	Planned Action Date
There have been no significant or higher risk recommendations made in this report so no key issue to report. Moderate risk recommendations are detailed in the action plan.	n/a	n/a	n/a

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1. The 2023/24 Internal Audit plan included an allocation of time to complete financial health checks at a sample of Local Authority maintained schools. The Manchester Hospital School was selected as part of this programme of audits, due to elapsed time since the last audit review.

2. Conclusion and Opinion

- 2.1. We can provide **substantial** assurance over the adequacy, application and effectiveness of financial control systems operating at the school. Overall there were strong financial controls with our testing demonstrating good compliance with these controls, including timely completion and oversight of key reconciliations and evidence of best value being sought for higher value purchases. Budget setting and control arrangements were also strong, and although the School is projecting a small cumulative deficit at the end of the three-year budget, the School Business Director has plans in place to mitigate this. More detail is provided on these issues plus further significant and moderate risk recommendations in Appendix 1.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1. There is an up-to-date and comprehensive Scheme of Financial Delegation.
- 3.2. There is regular reporting on budget monitoring to both the Resources Committee and the Governing Body. The annual budget was taken to governors prior to approval, governors' questions were documented and answered, budget assumptions are reasonable, and the budget was submitted to the Local Authority within the deadline.
- 3.3. All key reconciliations (bank and payroll) were up to date with checks evidenced and authorised by both the School Business Director and Headteacher, monthly.
- 3.4. The School operations are cashless, therefore the risk of loss and misappropriation of money when handling cash and the associated administration has been reduced.
- 3.5. Good separation of duties in place over purchasing arrangements, requisitions were in place and authorised for all purchases including for the purchase card. Supporting records including analysis of various options and minutes of meetings were retained to show discussion and decision making on larger purchases.
- 3.6. Payroll controls are strong. Payroll monitoring was thorough, up to date and authorised. For starters and leavers all relevant documentation was in place, including pre-employment checks, personnel records and notification to payroll. The Single Central Record was up to date for those tested.

Key Areas for Development

- 3.7. We have made four moderate risk recommendations to help further strengthen the already strong financial control at the School, specifically relating to the following issues:
- Records should be retained to support monthly budget monitoring meetings held with the Head Teacher. We have recommended a standard document is developed that shows key discussion points as well as actions and decisions made.
 - Purchasing procedures should be updated to include formal checking and sign off of invoices for payment as this is not currently a standard check for all purchases. The checks to be completed and certified should include confirmation that the invoice matches or is lower in value than the order raised and that the goods or service have been received. Responsibility for certification of invoices should be outlined in the Scheme of Financial Delegation.
 - Whilst the financial procedures document is comprehensive overall it did not detail who should complete, review and approve the monthly bank reconciliations. The procedures should therefore be updated to include this detail.
 - Purchase cards should be retained in the safe and treated as controlled stationery with a log for usage, they are currently held on the person by the card holders.

Executive Summary E

Internal Audit Report 2023/24

Corporate Services, Adults Finance

Direct Payments (Financial Reviews)

Distribution - This report is confidential for the following recipients

Name	Title
Helen Wright	Directorate Finance Lead, Responsible Officer
Simon Finch	Head of Finance, Adults Social Care and Public Health, Accountable Officer
Tracy Cullen	Assistant Director Adults Social Care
Caitlin Chapman	Service Manager Complex Needs
Ashlyne Daly	Direct Payments Team Manager
Councillor Akbar	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Bernadette Enright	Executive Director of Adults Social Services
Fiona Ledden	City Solicitor
Amelia Salford	External Audit (Mazars)

Report Authors

Lead Auditor	Peter Gallagher	35247
Lead Auditor	Chris Radford	35221
Audit Manager	Emma Maddocks	35269
Head of Audit & Risk Management	Tom Powell	35273

Draft Report Issued	19 September 2023
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Final Report Issued	5 December 2023
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Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance that arrangements are in place to complete financial reviews of Direct Payment expenditure	Limited	Medium

Sub objectives that contribute to overall opinion	Assurance
Policies, procedures, and processes have been established to support the council in obtaining customers records	Substantial
Expenditure is reviewed in line with the citizens support plan	Limited
Where concerns are identified they are appropriately managed and reported in a timely manner	Reasonable
The arrangements in place support the prevention and detection of fraud	Reasonable

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
All accounts, including managed accounts, should be audited on a risk basis.	Significant	6 months	30 April 2024
The processes for transferring a case from self-managed direct payments to either a managed account or 'virtual' budget need to be strengthened.	Significant	6 months	30 April 2024
New agreements with citizens should be obtained when the standard agreement is updated or where there is a change in nominee or authorised person.	Significant	6 months	30 April 2024

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1. Direct Payments are a key component in providing person centred care and allow citizens greater flexibility and control over their own care. In March 2023 there were 582 Citizens in receipt of Direct Payments with a value in excess of £12M per annum. The Direct Payment Audit team's (DP Audit Team) role is to provide assurance that this expenditure is consistent with the defined care plan, in order to ensure that any underspend, overpayments or inappropriate spend is identified and addressed.

2. Conclusion and Opinion

- 2.1. We are only able to provide limited assurance over the financial reviews of Direct Payment expenditure. This is because managed accounts, where a third-party company supports the administration of the direct payment, which equate to approximately two thirds of cases are not reviewed. The decision not to review managed accounts was made some time ago based on capacity concerns about the team and the belief that these were lower risk cases. An ad-hoc review of managed accounts was undertaken by the Team Manager for Direct Payments (in conjunction with the managing accountants) which identified over £2M in underspend, which was subsequently returned.
- 2.2. We also identified a number of other issues regarding the financial reviews, these included:
 - Out of date agreements with citizens (or their representatives).
 - The lack of an effective mechanism to withdraw the option of Self-managed Direct Payments when they are not complying with their obligations.
 - Insufficient details where family members act as personal assistants.
- 2.3. Although outside the scope of this audit, and as such not forming part of our assurance opinion, the current guidance was that family or 'close friends' were not required to have a DBS Assessment, with others either requiring a DBS or a formal opt out by the recipient. This increases the safeguarding risk to citizens, particularly with regard to 'close friends', as such we have included a recommendation to address this issue.

3. Summary of Findings

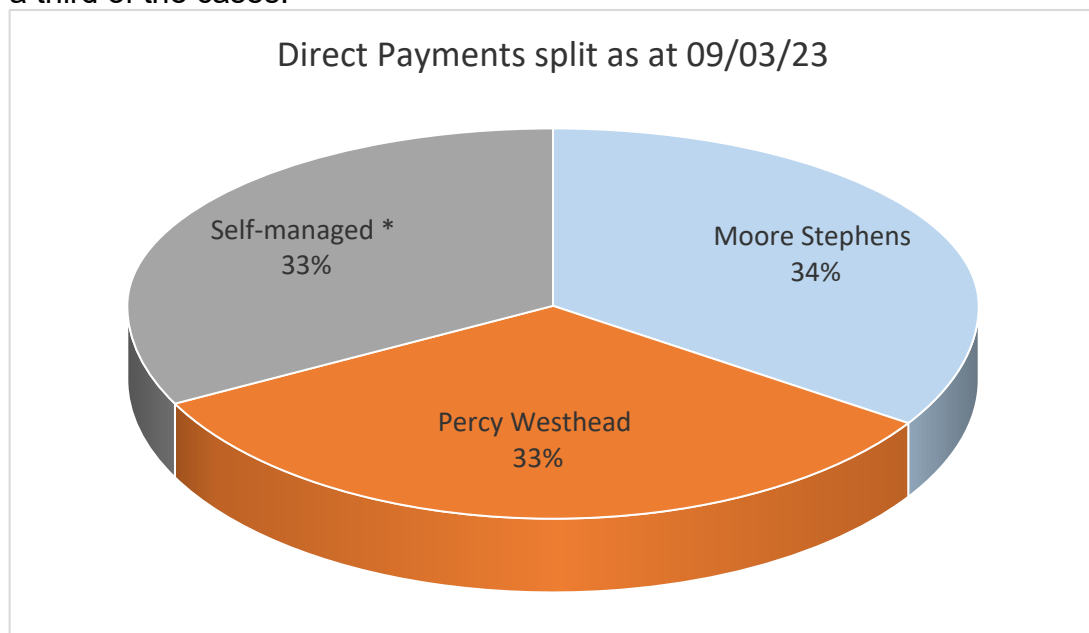
Key Areas of Strength and Positive Compliance

- 3.1 There was a Direct Payment Audit Policy, ample guidance and procedures to officers, standard templates for correspondence to citizens, and a customer information pack which provided details on their responsibilities and templates for the recording of expenditure and payroll. It was clear that the key documents were periodically reviewed (for example the Customer information pack had been updated just before the 2023/2024 payroll period).

- 3.2 The service had developed a process to monitor all self-managed cases. This included regular reviews to determine when new Direct Payments were agreed with the citizen. As part of our work, we successfully reconciled the Liquid Logic Adults System (LAS) records to the monitoring sheets of the service.
- 3.3 Each case was subsequently monitored, and its status on the monitoring sheet was updated as necessary to determine when audits were required, where audits were up to, who was the allocated worker, the results of the audit, and where necessary the recovery of underspend or inappropriate spend. In the year 2022/23 the team identified £745,239.36 of underspend, unaccounted spend and Inappropriate spend and had recovered £566,305 of this. However, it was explained that the team may choose not to recover all underspend, because they may be a result of timing issues or (in conjunction with the care team) because of the citizens individual circumstances.
- 3.4 We reviewed a small sample of audits, and identified no material issues with the timeliness, calculations, judgments, opinions, and subsequent correspondence to citizens. The work undertaken was well recorded by the service and attached to the citizens record in LAS, along with any subsequent correspondence.

Key Areas for Development

- 3.5 At the time of our audit there were 582 citizens in receipt of direct payments, this was split between self-managed accounts, and accounts managed by two companies (Percy Westhead and Moore Stephens). With each having roughly a third of the cases.



*Self-Managed accounts include two accounts which although supported by a third party (like Moore Stephens and Percy Westhead) are still audited in line with self-managed accounts.

- 3.6 The DP Audit team currently consists of 2.5 Officers and only audit the self-managed accounts, leaving two thirds of cases unreviewed. We were advised that this decision was made on the basis that there was insufficient resource to audit all the accounts and externally managed accounts were deemed lower risk. The DP Audit team completed 227 Audits in the year (22-23) with a further 81 having a status of awaiting information, 17 in Progress, and 3 on hold. Should managed accounts be audited on the same basis the team would not have sufficient capacity to undertake this work.
- 3.7 In discussions with the DP Audit team, upon the closure of an externally managed citizen (e.g., when the citizen dies) a final account is provided, and any underspend is returned. However, the Team manager for the Direct Payments team undertook a review of the externally managed accounts which identified £2M in underspend (for continuing Citizens), this was subsequently returned. Based on this, the business identified that there is a need for underspend to be identified and recovered in a timely manner.
- 3.8 As part of our sample, we identified two cases which have both had significant repeated and ongoing issues with engagement, in one of these cases going back at least five years. Where citizens (or their representatives) fail to abide by the terms of the Direct Payment agreement the procedure is for the DP Audit Team to contact the Social Work Team as well as the Direct Payment Team who have the option to transfer the case to either a managed account or a virtual budget. In both cases this had been done repeatedly, to no avail and the cases remained self-managed, despite routinely failing to keep to the terms of Direct Payment agreement. These types of cases take up a disproportionate amount of the DP Audit Team's time.
- 3.9 Agreements with the citizen were in place for 9/10 of the cases we reviewed, the exception was a citizen in receipt of Direct Payments for well over eleven years (i.e. prior to the introduction of MiCare, the precursor to Liquid Logic.) However, it was clear that these agreements were not updated on a regular basis as there were a variety of different formats with agreements dated between 2011 to 2022. It should be noted that in four of these cases replacement agreements had been signed as there had been issues with the previous representative. New agreements were not obtained as a matter of routine when the standard agreement was updated or changed.
- 3.10 The latest direct payment agreement stipulates close relatives who live in the same household cannot be employed using the personal budget. We identified a number of PA's in our sample who were clearly related to the Citizen, however it was impossible to determine the exact nature of their relationship or where the PA's lived.
- 3.11 It is mandatory for Personal Assistants (PA's) who are not a 'close family member or friend' to have a Disclosure and Barring Service check (DBS) (undertaken by the Council). Where it is not mandatory, the Council still 'strongly recommends' for checks to be undertaken, but if not for a waiver document to be completed. We obtained a list from the DBS Team, and it was

clear that checks are being undertaken, however none of our sample had a DBS nor could we find any waivers.

Executive Summary F

Internal Audit Report 2023/24

Corporate Services, Adults Services

Adults Quality Assurance

Distribution - This report is confidential for the following recipients

Name	Title
Paul Covell	Assistant Director Adults Social Services, Responsible Officer
Elizabeth Garrett	Practice and Learning Development Consultant
James Binks	Interim Deputy Director of Adults Social Services,
Bernadette Enright	Executive Director of Adults Social Services, Accountable Officer

The final report will also be issued to the following recipients

Councillor Robinson	Executive Member
Joanne Roney	Chief Executive
Carol Culley	Deputy Chief Executive and City Treasurer
Tom Wilkinson	Deputy City Treasurer
Fiona Ledden	City Solicitor
Amelia Salford	External Audit (Mazars)

Report Authors

Audit Manager	Emma Maddocks	35269
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Draft Report Issued	19 December 2023
Final Report Issued	3 January 2024

Executive Summary

Audit Objective	Assurance Opinion	Business Impact
To provide assurance that there is an effective Quality Assurance Framework in place for Adults Social Care	Reasonable	Medium

Sub objectives that contribute to overall opinion	Assurance
The design of the framework	Reasonable
Governance including roles and responsibilities	Reasonable
Compliance with framework requirements	Limited
The sufficiency of management information to support challenge, learning and decision making	Reasonable

Key Actions (Appendix 1)	Risk	Priority	Planned Action Date
The Practice and Learning Development Consultant should ensure that the new Adults QA framework is launched to all Adults Services social work staff.	Significant	6 months	TBC
The Practice Learning and Development Consultant should lead the development of a scoring framework for Practice Supervisors to use when completing QA audits. These opinions could be moderated on a sample basis by Social Work Consultants in developing the monitoring reports to the QA Board to ensure consistency across areas.	Significant	6 months	TBC

Assurance Impact on Key Systems of Governance, Risk and Control		
Finance	Strategy and Planning	Resources
Information	Performance	Risk
People	Procurement	Statutory Duty

1. Audit Summary

- 1.1 The Care Act 2014 came into force on 1st April 2015. This introduced major changes to practice for adults in assessment, support and safeguarding. To be compliant with the Care Act, new policies and procedures were introduced by Manchester City Council and by the Manchester Safeguarding Adults Board.
- 1.2 In response to the implementation of the Care Act and outcomes of a Peer Review, along with Manchester Adult Social Care's commitment to providing high quality social work practice, a Quality Assurance and Improvement Framework (QAIP) was developed and implemented. However, with the introduction of the strengths-based approach to assessment and safeguarding, it was identified by senior management that the framework needed to be updated to support this approach to practice with a new framework being introduced in January 2022.
- 1.3 The QAIP is a key element of assurance for management over the quality of social work practice. It is a crucial source of intelligence and should provide confidence to management, stakeholders and Members that practice is undertaken in line with legislation, policy and procedure.
- 1.4 Internal Audit have been liaising with senior management to agree the timing of an audit of the new framework and agreed that we would allow at least 12 months for new working arrangements to embed before undertaking this work. We agreed that 2023/24 would be a good time to review arrangements and provide assurance over the new framework.

2. Conclusion and Opinion

- 2.1 We are able to provide reasonable assurance that that there is an effective Quality Assurance Framework in place for Adults Social Care. This opinion is based on the revised framework that has been developed by the Practice and Learning Development Consultant since our audit fieldwork started rather than the initial framework presented to us at the start of the audit. The initial framework presented to us was only operational on a very limited basis and the majority of assurance activity was not taking place. We are satisfied that the changes made and presented to us in the revised framework are significantly more streamlined with responsibility for QA activity and oversight

of the framework being combined into a single management line reporting through to the Practice and Learning Development Consultant. Supporting templates have also been developed to bring clarity to the approach to be taken and all staff responsible for completing audit activity have been briefed on their responsibilities, timelines for audits and the documents they should use to complete the work. Reporting templates have been developed to provide summary updates on assurance activity through to the QA Board.

- 2.2 Our assurance opinion on the original framework presented to us at the start of the audit and how it was operating would have been limited. The reasonable assurance assessment is on the basis that the revised framework will be implemented as set out in plans and that the assurance activity described in the framework becomes embedded in operational activity to provide regular assurance over social work activity. We are confident from discussions with the Practice and Learning Development Consultant and from review of the new framework documentation that arrangements are now in place to ensure this happens. However, if activity does not become embedded our assurance would move back to a more limited opinion.
- 2.3 To support delivery and embedding of the framework we consider it is essential that the launch of it is communicated out to all Adults Social work staff whose work may be quality assured as part of the process so they are able to understand and support the framework requirements.

3. Summary of Findings

Key Areas of Strength and Positive Compliance

- 3.1 A recent review of the Framework has been completed, resulting in ownership and oversight of the entire framework being brought into one management line under the Practice and Learning Development Consultant having previously been owned across two areas (the safeguarding element being overseen by the Head of Safeguarding and Quality Assurance and the regular casework under the Principal Social Worker). Since ownership has moved the framework has been updated, expanded and strengthened with clear ownership and responsibility clearly allocated for undertaking audits.
- 3.2 A clear timeline has been established for launch of the framework and for completion of the first batch of audits within the framework.
- 3.3 An Assurance Board is in place, chaired by the Assistant Director, Adults Services where the outcomes of audit activity and other activities from the QA framework are reported and challenged.
- 3.4 The most recent version of the framework has significantly expanded the areas for audit. In the original version shared at the start of the audit, framework plans were in place to complete safeguarding and casework audits as well as ongoing audits of supervisions. In the new version plans are also in place to complete regular audits of strength-based assessments, support

- planning, mental capacity act assessments and case notes. This provides significantly more breadth in the assurance over social work activity.
- 3.5 Support has been obtained from PRI to develop audit tools with reporting, to obtain samples for audits and to develop reports to support reporting of activity and outcomes of audits.
 - 3.6 The framework has a variety of methods of assurance including direct observations, feedback from citizens, peer reviews and performance monitoring including statutory returns.
 - 3.7 The Practice and Learning Development Consultant has developed a QA platform on Microsoft teams where all QA related documents can be accessed by staff involved in delivery of the framework. Included on the platform is a QA tracker which will be used to track all recommendations made through audit activity. Also included are copies of the audit tools and a section for QA reporting where the outcomes from individual audits are retained, collated and used to report into a summary report to the QA Board.
 - 3.8 We were invited to attend the event where the Practice and Learning Development Consultant launched the new framework to staff responsible for completion of audits and outlined roles and responsibilities, details of audit tools and outlined timelines for completion of activity. From this we are assured that staff responsible for completing the assurance activity have been made clear as to the requirements of them as well as timescales for completion of this activity.

Key Areas for Development

- 3.9 We have made four recommendations for improvement as part of this audit, two of which are rated a significant risk and two are rated moderate risks.
- 3.10 A vital area for development to support the embedding of the framework in operational practice is to launch and share the details of the QA framework with social work staff. The framework in place at the start of our review had not been shared with staff and in interviews completed during the audit staff from across a range of roles confirmed they were not aware there was an existing QA framework in place and had not received audits in a significant period of time. Managers interviewed were concerned that if details of the framework were not shared with staff that they would be nervous and anxious of any audits and less likely to want to engage for fear of what might happen with the results.
- 3.11 We also consider that current proposals to not provide assurance opinions at the end of each QA audit to the worker whose case is being audited and their line managers should be revisited. We have recommended that standard opinions should be developed and included within the QA framework and that each Practice Supervisor completing audits should provide an opinion to staff as well as providing areas of strength and areas for development. If opinions are not provided to staff but are added at the stage of reporting through to

senior management, there is a risk of a lack of openness and transparency in the process.