

ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	COMMUNITY SERVICES
AUDIT DESCRIPTION	SYSTEM BASED AUDIT
AUDIT TITLE	Criminal Justice – National Outcomes and Standards
AUDIT DATE	May 2016

2016/2017



1. BACKGROUND

This report has been prepared as a result of the Internal Audit review of Criminal Justice within Community Services as part of the 2016/2017 Internal Audit programme.

Scottish local authorities have a legal duty to provide criminal justice social work services. These services are provided within the framework of the Scottish Government's National Outcomes and Standards. Criminal Justice services undertake a range of statutory duties concerned with the assessment and supervision of offenders following a custodial sentence or subject to community sentences. Argyll and Bute Council Criminal Justice Service has offices in Dunoon, Rothesay, Campbeltown, Lochgilphead and Oban. A partnership is in place with East and West Dunbartonshire to form the Argyll, Bute and Dunbartonshire's Criminal Justice Partnership.

National Outcomes and Standards are intended to provide a clear framework of professional accountability, supported by strong governance and leadership, towards the outcomes of community safety, justice and social inclusion.

Criminal Justice Social Work Services contribute specifically to 3 of the National Outcomes:

- We live our lives safe from crime, disorder and danger;
- We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others;
- Our public services are high quality, continually improving, efficient and responsive to local people's needs.

There are three key outcomes for Criminal Justice Social Work services:

- Community safety and public protection
- The reduction of re-offending
- Social inclusion to support desistance from offending

2. AUDIT SCOPE AND OBJECTIVES

The main objective of the audit was to review the key governance and reporting arrangements in respect of criminal justice activity and contribution to National Outcomes and Standards.

3. RISKS CONSIDERED

- Inadequate monitoring and reporting arrangements;
- Non-compliance with the reporting requirements for National Outcomes and Standards

4. AUDIT OPINION

The level of assurance given for this report is Substantial assurance.

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with. A sound system of control is in place designed to achieve the system objectives and the controls are being consistently applied.
Substantial	Internal Control, Governance and management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk and where specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Reasonable	Internal Control, Governance and management of risk are broadly reliable, however although not displaying a general trend there are a number of areas of concern which have been identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk.
Limited	Internal Control, Governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and system objectives are at risk. Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.
No Assurance	Internal Control, Governance and management of risk is poor, significant residual risk exists and/ or significant non-compliance with basic controls leaves the system open to error, loss or abuse. Residual risk must be addressed immediately with management allocating appropriate resources to the issues.

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;

Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;

Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.

5. FINDINGS

The following findings were generated by the audit:

Governance and Reporting

5.1 Criminal Justice Social Work Services are delivered within a formal partnership arrangement between East Dunbartonshire, West Dunbartonshire and Argyll & Bute Councils. Governance arrangements include responsibility for overall management of the service resting with a partnership manager and a single partnership budget. Governance and reporting arrangements are in place in respect of contributing towards meeting the National Outcomes and Standards. There are a number of agreements and frameworks in place within the partnership as detailed below:

- Partnership Minute of Agreement is in place detailing the responsibilities of each Authority.

- Planning and Performance Improvement Framework. This framework brings together the different planning and evaluation systems in place for Criminal Justice Social Work (CJSW) to create an integrated planning and performance improvement framework for the Argyll, Bute and Dunbartonshires' Criminal Justice Social Work Partnership. The partnership framework demonstrates links to the National Outcomes and the National Single Outcome Agreement. It details the partnership strategy map, including the strategic outcomes and strategic objectives. The partnership strategic objectives demonstrate links to the three outcomes for the CJSW Service.
- Partnership balanced scored card 2014-2017 which links to the objectives in the partnership strategy map sets KPI's to measure success outcomes.
- Performance Improvement Programme 2014-2017. This programme shows the methods that are used by the partnership to deliver performance improvement. These methods inform the balanced scorecard and details the reporting framework with due dates and responsibilities for delivery.
- Partnership Commissioning Strategy.
- Partnership Operational Action Plan 2014-2017.

5.2 It was evidenced that the criminal justice scorecard was available on Pyramid, including revenue budget and actual figure for year end.

5.3 As part of the statutory requirements on Local Authorities, key performance indicators (KPI) are publicly reported on an annual basis. Criminal Justice Social Work no longer has statutory performance indicators, however, these are included as part of the Local Authority's overall KPI. The Council return was available for review.

5.4 A summary document was available highlighting specific areas of criminal justice, however, it did not cover all activities.

Filing and Recording Systems

- 5.5 It was found that all client case records are recorded on Carefirst which is accessible only to authorised staff and is password protected.
- 5.6 The partnership have developed case recording standards providing a framework to ensure records are accurate, clear, concise and in chronological order. Records for every service user and carer who has contact with the service are maintained to a consistent standard. It also highlights roles and responsibilities for case recording. This document was available for review.
- 5.7 The case recording standards detail document retention periods, including archiving procedures.
- 5.9 Where the partnership requires to share data they can do so under Section 29(3) of the DPA98 - prevention and detection of crime - or, indeed, via Scottish Statutory Instrument 417/2000 which notes that if public interest can be demonstrated (e.g. matters of risk) then there is no requirement to advise the data subject that you are sharing their information.

Roles and Responsibilities

- 5.10 Roles and responsibilities have been identified. Staff within the partnership are appointed by member authorities, it was evidenced that an organisational chart was available for the Council.
- 5.11 Accountability is achieved to the member authorities via a Joint Committee with delegated powers, comprising elected members from each authority. The Joint Committee has overall objectives including clear cut lines of financial operational and staffing accountability. The Committee meets 4 times per year. It was found that two Argyll & Bute Councillors are members of the Joint Committee.
- 5.12 It was evidenced that the criminal justice partnership authorities have a joint training plan and a workforce development plan in place. Progress reports are provided to the Joint Committee.

Review

- 5.13 It was found that the partnership undertake case management audits as per the performance improvement programme (a three year rolling programme). These are undertaken twice per year (one case per worker) as an integral part of self-evaluation to audit the quality of case management. The audit process comprises of 3 parts – peer review, management review and an individual performance improvement plan. It was found that a report is produced detailing the number of audits undertaken, including identifying areas of good practice and areas for development. It also highlights any areas of training need.
- 5.14 It was found that a performance improvement plan is developed resulting from the case management audits.

Reporting Timeframes

- 5.15 It was found that reporting timeframes for the partnership were not always met. It was noted that a report to the partnership due in August 2015 was submitted in May 2016 as a result of resourcing issues within criminal justice.

Financial Review

- 5.16 The funding for the provision of the Criminal Justice services is provided to the Joint Committee by the Scottish Government. It is the responsibility of the Joint Committee to approve the budget for the 3 Councils. It was found that indicative budget allocation reports are provided to the criminal justice finance contact within the Council.
- 5.17 Budget Monitoring arrangements in place are adequate. Regular interaction between respective finance contacts takes place. Budget Monitoring reports are provided internally to Head of Service which outline actual spend and forecast outturn. Where appropriate forecast journals have been processed through the ledger. There is a residual risk in respect of shared overspend within the partnership; however arrangements in place provide for early warning, challenge, formal reporting and remedial action.

6. CONCLUSION

This audit has provided a Substantial level of assurance. There are 2 medium recommendations set out in Appendix 1 which will be reported to the Audit Committee. Appendix 1 sets out the action management have agreed to take as a result of the recommendations, the persons responsible for the action and the target date for completion of the action. Progress with implementation of actions will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to the Criminal Justice Social Work staff and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

APPENDIX 1 ACTION PLAN

Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
1. Procedures		High/ Medium or Low		
There is no documented procedure in terms of the governance and reporting processes.	Failure to have clear and concise processes and procedures in place may lead to inefficient and ineffective operations resulting in non-compliance with reporting requirements.	Medium	Single document to be produced (and annually reviewed) that describes the processes supporting the CJ performance and reporting arrangements.	Business Support Manager 30 September 2016
2. Reporting		High/ Medium or Low		
Reporting timeframes for the partnership are not always met.	Failure to report in a timely manner may result in ineffective decision making.	Medium	Compliance with case audit timescales by front line managers to be reiterated at the Partnership Management Group on 19 July 2016 and reviewed by SMG March 2017	Criminal Justice Manager 31 July 2016



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