



FINAL

Internal Audit Report

Community Services Department

Social Work Legislative Compliance

October 2007

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ACTION PLAN

1. BACKGROUND

- 1.1 Direct audit days were set aside within the 2007 – 2008 Internal Audit programme for a review of New Legislation.
- 1.2 Under Governance & Risk, Internal Audit is required to look at how the responsibility for implementing New Legislation is dealt with by Council departments. In last years audit 2 key risk areas were reviewed to ensure that:
- Management were aware of changes in legislation and therefore have not failed to implement; and/or
 - Management were aware of changes in legislation but cannot fully comply because their staff has not been provided appropriate training.
- 1.3 An action plan was drawn up and implementation of the reports findings carried out.
- 1.4 This year the emphasis of the audit was directed towards a specific area namely, Social Work and the efforts of Community Services Department to keep track of various changes in Legislation and how this in turn can influence the robustness of compliance.
- 1.5 As a result of our work, findings were generated. These findings were subsequently discussed with management and a draft report produced. Management comment was then included along with an agreed Action Plan and a final report produced.

2 AUDIT SCOPE AND OBJECTIVES

- 2.1 The audit looked at what controls the Social Work service has in place to prevent a failure to implement or comply with Amended or New Legislation. The audit will look at what formal recognition there is within Social Work regarding managing the risk of not complying with legislation. The broad objective of the audit is to:
- Test that suitable systems are in place to ensure the Social Work Service complies with statutory obligations, both in terms of legislation specific to the functions of the service and the wider legislative requirements of the Council.
- 2.2 The adequacy of the arrangements to meet the objective has been assessed using a grading of one to five ticks (✓'s). Five ticks indicate good arrangements and one tick inadequate arrangements are in place. The assessment is set out in section 6 (figure 1). The assessment has been made by considering the value and significance of the findings and recommendations.

3 AUDIT APPROACH

- 3.1 The following approach was used to satisfy the objectives of the audit:
- Interviews with officers of the Community Services Department - Social Work Service Management;
 - Review of documentation relating to relevant of legislation and actions carried out;
 - Identification, using control matrices, of key controls required and level of compliance with them; and
 - Any problem areas highlighted were brought to the attention of the appropriate Director.
- 3.2 A draft report with audit findings was prepared for the Community Services Department – Heads of Service for Adult Care Service and Children & Families for comments.
- 3.3 Management comments were then included in a final report, which was then passed to the Director of the Community Services Department. The final report includes an Action Plan, which lists the actions agreed with management.

4 SUMMARY OF MAIN FINDINGS

- 4.1 Internal Audit found from the completed Internal Audit Control Matrices that both sections had a similar process in place to identify impending and or amended legislation. They used their Departmental Management Team (DMT) to discuss impending changes to legislation. Heads of Service also involved their management as a matter of routine in the process for monitoring and implementation of legislation. However, these processes are informal and solely reliant on management being aware of legislation changes.
- 4.2 The audit found that both Heads of Service ensure that training is provided as and when required to support management and staff. It was also noted that this training was recorded.
- 4.3 In conclusion, there have been no recorded issues of the service failing to comply with amended or New Legislation. Responsibility for implementing legislation is being managed within the service however, informal processes need to be formalised.

5 ACTION PLAN

- 5.1 The Action Plan attached at Appendix 2 has been compiled with the co-operation and agreement of both Heads of Service.
- 5.2 Internal Audit considers that, in an effort to improve the quality of information, monitoring and control, the recommendations should be implemented in accordance with the agreed Action Plan. Both Heads of Service have set

achievable implementation dates and will be required to provide reasons to the Audit Committee for failure to implement within the agreed timescale. Where management decides not to implement recommendations it must evaluate and accept the risks associated with that decision.

- 5.3 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 fundamental, material or minor. The definitions of each classification is set out below:-

Fundamental - 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;

Material - 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;

Minor - 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.

6 OVERALL CONCLUSION AND ASSESSMENT AGAINST OBJECTIVES

- 6.1 Both sections have a good working knowledge of the processes involved in the implementation of amended and New Legislation. However, during the course of the audit, some issues were identified that would improve management controls. Therefore a recommendation has been made, discussed with management and an action plan agreed. (Any issues not accepted by management are done so with their knowledge and acceptance of risk and control weakness.)
- 6.2 Figure one below sets out a summary of the overall conclusions arising from the audit in terms of the specific objectives detailed at section 2.1.

Figure 1: Summary of overall conclusions

Specific objectives	Assessment
Test that suitable systems are in place to ensure the Social Work Service complies with statutory obligations, both in terms of legislation specific to the functions of the service and the wider legislative requirements of the Council.	✓✓✓✓
<p>Key:</p> <ul style="list-style-type: none"> ✓✓✓✓✓ - Arrangements accord with good practice and are operating satisfactorily. ✓✓✓✓ - Arrangements accord with good practice, but certain minor matters noted as requiring improvement. ✓✓✓ - Adequate arrangements in place, but certain matters noted as requiring improvement. ✓✓ - Arrangements in place offer scope for substantial improvement. ✓ - Concern is expressed about the adequacy of the scope of these arrangements. 	

7 ACKNOWLEDGEMENTS

- 7.1 Thanks are due to both Heads of Service and their staff for their co-operation and assistance during the Audit and the preparation of the report and Action Plan.
- 7.2 Argyll & Bute Council's internal audit section has prepared this report. Our work was limited to the scope in section 2 above. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.
- 7.3 This report is private and confidential for the Council's information only and is solely for use in the provision of an internal audit service to the Council. The report is not to be copied, quoted or referred to, in whole or in part, without prior written consent.

APPENDIX 2

ACTION PLAN

ACTION PLAN NO	PARAGRAPH	GRADE	WEAKNESSES IDENTIFIED	AGREED ACTION	RESPONSIBLE OFFICER	DATE OF IMPLEMENTATION
3	1.6	Material	There is no service or departmental register to log the New Legislation and subsequent changes to existing legislation.	It is recommended that a central log is set up for the recording of the receipt of received legislation new and amended. This will therefore provide a verifiable record for all received legislation.	Head of Adult Care & Head of Children & Families.	31 March 2008
4	3.2	Material	At present there is no rolling programme of procedural updates established as part of management arrangements.	The Heads of Service have confirmed that a rolling programme of procedural updates will be established as part of the new management arrangements.	Head of Adult Care & Head of Children & Families.	31 March 2008