


# Internal Audit

# Committee Summaries



## 0-19 Healthy Child Programme

0-19 Healthy Child Programme					
Overall assurance rating		Audit findings requiring action			
 <b>Substantial</b>		<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
		0	0	0	3
<p>There are robust financial monitoring arrangements in place and there is scrutiny of Key Performance Indicator (KPI) submissions. The Public Health Practitioners identify any anomalies or errors in the performance information, along with any trends; declines and improvements in performance, they also provide feedback to the provider and will ask for data to be presented differently where it does not meet their needs.</p> <p>The outcome reporting has identified a number of areas not meeting the required targets and the council and the provider have been working together on these areas, in an effort to improve performance.</p> <p>The underperformance has been internally escalated to the Public Health Contracts and Procurement board, with decisions being taken at the highest level on the appropriateness of implementing a formal remedial action plan, which the council and the provider have now agreed to be delivered during quarter 4 of 2022/23.</p> <p>The Public Health team have already recognised areas where the service specification could be improved and on where there have been lessons learnt from the existing contract which can be taken forward into the re-commissioning of the service.</p> <p>Whilst we have not identified any significant gaps or weaknesses in the overall contract monitoring framework, we have agreed two actions which will strengthen the current control environment and one to improve efficiency.</p>					

### Context

The Health and Social Care Act 2012 sets out a local authority's statutory responsibility for commissioning public health services for children and young people aged 0 to 19 years. The 0 to 5 elements of the Healthy Child Programme are led by health visiting services and the 5 to 19 element is led by school nursing services.

The Healthy Child Programme aims to bring together health, education, and other key partners to deliver an effective programme for prevention and support. Lancashire commissioned these services from Virgin Care Services Ltd in 2019 under a three-year contract, with an option to extend for a further two years.

In December 2021 Virgin Care rebranded as HCRG Care Group and was acquired by Twenty20 Capital. The Director with responsibility for the Lancashire contract is unchanged. The contract budget for 2022/23 at the time of our review was £22,293,769.33


## 0-19 Healthy Child Programme

### Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Contractual arrangements
- Performance Reporting
- Contract Monitoring
- Payments and charges
- Internal Governance

## On-Street Parking Enforcement and Appeals

On-Street Parking Enforcement and Appeals				
Overall assurance rating	Audit findings requiring action			
 <b>Substantial</b>	<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
	0	0	0	1
<p>The council's website provides relevant and up to date advice and guidance regarding parking enforcement. This mirrors government and Department for Transport information, and includes rights and responsibilities, parking restrictions enforced, facility to pay penalties online and the challenge and appeals process. The website states the service aims to respond to the public within 20 days, however this measure was not monitored, recorded or reported.</p> <p>The Parking Enforcement Team (the Team) process casework effectively and in compliance with regulation to administer Penalty Charge Notices (PCNs), payment of fines and enforcement and appeals. Appropriate in-house induction and ongoing training ensures staff understand their roles and gain the required competencies to effectively carry out their duties and, although not compulsory, several staff successfully completed the City and Guilds parking qualification. Monthly spot checks and reviews were conducted to provide assurance over the accuracy and completeness of casework, compliance with guidance and service quality and delivery.</p> <p>The Taranto enforcement system enables the team to appropriately manage the caseload through the three-stage appeals process, accurately applying discounts for fines, retaining photographic evidence of violations, through to concluding casework when fines are paid. The Team worked closely with Corporate Finance to ensure income received from fines were reconciled and correctly stated in Taranto and Oracle. The team regularly communicated and worked collaboratively with Lancashire districts and the police providing updates, notifying new restrictions in localities and organising joint patrols to raise awareness and publicise parking issues and hotspots. Joint enforcement patrols involving local councillors, district partners and the police successfully resulted in vehicles being moved and PCNs and police fines being issued.</p> <p>There are no corporate performance indicators specific to parking enforcement and appeals provision, however the Team complete monthly service dashboard reports which are distributed to senior managers to advise of school enforcement visits, PCNs issued and occurrences of abuse directed at Civil Enforcement Officers (CEO). Generic service risks were managed through the corporate and directorate risk register, although risks specific to parking enforcement and appeals were not directly captured.</p>				

### Context

The council enforce on-street parking restrictions across Lancashire and off-street car parks on behalf of Lancaster City Council. Parking enforcement contributes to the council's transport objectives, aiming to improve road safety for all road users, to improve the flow of traffic, and ensure emergency vehicles and public transport are able to travel without obstruction or delay. The council impose fines as a deterrent to reduce parking violations and

## **On-Street Parking Enforcement and Appeals**

adopt the Secretary of State's main principle of exercising discretion as the main challenge consideration against penalty charges and representations, based on evidence provided by the motorist. All monies received from PCNs are re-invested into Lancashire parking services and highways related schemes.


The Parking Enforcement Team administer PCNs, consider parking enforcement claims, challenges, representations and appeals, monitor the payment of fines, and pursue unpaid charges through County Court and commissioning of enforcement agencies.

### **Scope of Audit**

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Policy, procedure and guidance
- Service delivery
- Service quality
- Performance and risk

## Building Schools for the Future (BSF) - Contract Monitoring

Building Schools for the Future (BSF) - Contract Monitoring					
Overall assurance rating		Audit findings requiring action			
 <b>Substantial</b>		<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
0		0	0	0	

The initial contract for BSF was signed in 2006, between Lancashire County Council and Catalyst Education, this is the only known contract, after which there has been several contract variations. Due to the contract being of a complex and a large nature, the service has split the contract into sub sections and refer to them as and when they need to.

There is ongoing communication in relation to the strategy around key topics, and issues that are relevant to all the BSF schools with all the partners, parties and stakeholders through the BSF Board, BSF Phase and Project Liaison meetings that regularly takes place.

There is a timetable which details BSF contractual key dates which the Contract Monitoring Officer uses to monitor that all datasets are received on a periodic basis.

Evidence of works carried out by the contractors is provided to the council via SharePoint and discussed in Service Performance Meetings (SPM). Email approval is requested by the council with the schools prior to the invoices being processed for payment.

There is comprehensive budget monitoring for the contract. The Project Officer maintains spreadsheets whereby invoices are recorded and confirms that the invoices have been processed for payment, and payments which are withheld. The Management Accountant monitors the financial affairs of the contract.

The year-end reconciliation at school sites for 2021-22, which identifies instances where the overall heating consumption has exceeded the contractual agreed amount did not take place. However, we are informed that the reconciliation process for 2021-22 has now started.

### Context

Under this BSF initiative, the government is seeking to support a transformation of education establishments and ensure that all children and young people have access to facilities of 21st century standard. Following a competitive procurement exercise undertaken in 2005/06 in accordance with the EU procurement rules in force at the time, the council selected Catalyst Education (a consortium) to deliver its BSF Programme in East Lancashire. The programme was to be delivered across several phases with the total value forecast the time to be in the region of £850m. However, the programme was curtailed in 2010 due to government spending cuts, in consequence of which only the first four phases of the programme in Lancashire were delivered.

A Special Purpose Vehicle (SPV) (also known as Albany) was established by Catalyst Education with the specific aim of delivering each phase of the programme, with the Council entering into a project agreement with the SPV for each phase, under which the SPV was responsible for the design,

## Building Schools for the Future (BSF) - Contract Monitoring


construction, operation and maintenance of the schools in that phase over a 25-year term. Construction of the schools was subcontracted to Bovis Lendlease Limited and facilities management obligations were subcontracted to Vita Lend Lease Limited/ Equans (previously known as Engie).

### Scope of Audit

The overall objective of our audit was to review and assess the adequacy of the processes and procedures that are in place to ensure that the BSF contract and its financial performance is effectively monitored and managed. In doing so our review includes;

- Ensuring a BSF board is in place which includes all stakeholders, and that the decisions made are clear and transparent and actions raised have assigned owners and implementation timescales, additionally there is appropriate escalation to and from the board.
- Consideration of whether the contractual service specification is clear and transparent to support the contract monitoring function, and any changes are subject to review and oversight by the legal team and contract variations are signed off by all parties.
- Considering whether sufficient, appropriate performance data is submitted by the provider to the contract monitoring officer in accordance with contractual requirements and timescales, and the dataset provided is reviewed and verified and enables the council to assess whether the contractual aims are being achieved and delivered by the provider.
- Assessing whether the arrangements for service credits are clear and transparent and whether they are taken account of before invoices are authorised for payment, and that the invoices are correctly coded to support overall budget monitoring.

## Refugee resettlement from other countries

Refugee resettlement from other countries				
Overall assurance rating	Audit findings requiring action			
 <b>Substantial</b>	<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
	0	0	1	1

The Lancashire Refugee and Asylum Partnership brings together local authority and other stakeholder organisations to provide governance, direction and strategic oversight through working collaboratively across the county.

The Lancashire Refugee Integration Team (LRIT) work effectively facilitating casework and commissioning services, ensuring compliance with regulation, funding arrangements and refugee eligibility and accessibility for the provision of community services across Lancashire districts and assigning grant funding. We found on occasions Memorandum of Understanding (MoU) agreements and contracts with district councils and providers to commission refugee provision and services were not always completed or signed off prior to services starting.

The council's procurement framework appropriately informed and facilitated commissioned services ensuring providers undertake due diligence and financial security checks, however the service had not compiled a preferred list of suppliers, to facilitate cost effective and timely procurement.

Working with Corporate Finance the team ensure the finance framework correctly and accurately identifies and manages transactions and district allocations to budgets. Refugee accessibility and eligibility is appropriately verified to government databases for accuracy, completeness and provides assurances that resettlers qualify for additional assistance and services. All requisitions were assigned a valid purchase order and reconciled on Oracle. A panel of officers award and monitor community grants to third sector and charitable organisations to promote and support community integration.

### Context

UK resettlement schemes facilitate and support efforts to relieve humanitarian crisis of vulnerable refugees in need of protection from a range of worldwide regional conflicts and instability through the provision of resettlement opportunities into UK communities. Resettlement numbers are based on Local Authority capacity and matching eligible resettlers and host volunteers for purposes of achieving scheme objectives of community integration and wellbeing. The Lancashire Refugee and Asylum Strategic Partnership (LRASP) consists of Lancashire districts, health, fire and police services, and private third party and charitable organisations who work collaboratively and cohesively across Lancashire. The Refugee and Asylum Seeker Multi-Agency Forum (RASMAFs) consisting of appropriate district council representatives, provided the LRASP with operational feedback to inform service delivery.

The Lancashire Refugee Integration Team sits within the council's Policy, Information, Commissioning and Children's Health Service and is funded from central government grants. The team work collaboratively with district and unitary councils, multi-agency and voluntary organisations to support the integration of refugees into Lancashire. The team coordinate the delivery of the Lancashire Refugee Resettlement Programme supporting thousands



## Refugee resettlement from other countries

of people who have arrived in Lancashire from over ten different refugee and asylum resettlement routes, including key schemes such as Homes for Ukraine, United Kingdom Resettlement Schemes, Afghan Citizen Resettlement Scheme and Afghan Relocation and Assistance Policy. The team has grown from one staff member in 2016 to 29 in 2022, with over 50% having lived experience of being a refugee or asylum seeker from various countries including Sudan, Syria, Palestine and Ukraine.


The refugee resettlement net budget for the 2022/23 financial year was £1.95m, compared to the net budget in 2021/22 of £1.71m.

### Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Policies, procedures and governance
- Service delivery
- Financial management
- Service quality
- Performance and risk

## Legal Services - Outsourced Provision

Legal Services - Outsourced Provision					
Overall assurance rating		Audit findings requiring action			
 <b>Substantial</b>		<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
		0	0	1	1
<p>The council's arrangements for the provision of outsourced Legal Services reflect the needs of each of the Service's four sections and have sufficiently considered the different options available including in-house capacity and agency staff to ensure effective and efficient delivery of services. Some work, for example major corporate projects, needs specialist legal support complemented by strategic support from agency staff to interpret and implement advice and guidance. This support is not currently available within the council. Other sections require ad-hoc counsel advice and support to attend court hearings whilst agreements with specialist legal firms support a flexible response to increased demand for child protection cases during peak periods.</p> <p>Additional legal services provision is identified by managers and appointments are authorised under the Scheme of Delegation. The council's Procurement Policy exempts Legal Services from applying the procurement rules though established long term relationships with legal firms provide some assurance over quality. The council also benefits from competitive rates for although costs have not been tested against competing firms for some time and a formal benchmarking exercise would provide an insight on the value for money obtained. The Service has actively sought to fill vacant positions however this has become increasingly difficult as the Service consider they are unable to offer sufficiently attractive terms and salaries. Some specialist posts have been upgraded to improve the chances of filling positions and training has been given to existing staff to support internal progression.</p> <p>Budgets are monitored quarterly with Finance support, which identify key financial and budgetary pressures, and a quarterly financial monitoring report is presented to members and senior management.</p>					

### Context

External agencies and locums support Legal Services to meet capacity and shortages in skills and expertise in specialist areas. Outsourced provision ranges from advice and support from Counsel through to demand led support from external lawyers' firms and locums provided through the council's approved agency, Matrix Recruitment (Matrix). There are four distinct sections with their own operational model and different needs for external legal resource:

- Commercial, Procurement and Property (CPP)
- Adult Social Care, Employment and Education (AEE)
- Planning, Highways and Environment (PHE)
- Child Protection (CP)

## Legal Services - Outsourced Provision


In the budget, outsourced legal provision is split into legal fees and agency fees. There is a £7.7m budget for legal fees which is made up primarily of £7.01m for public law cases in respect of child protection and £482K to support legal representation on Adult Social Care cases. There is no formal budget for agency staff, and these are currently funded through the existing vacancies.

## Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Decision-making
- Selection and value-for-money
- Capacity-building and
- Budget monitoring.

## Pension Fund Treasury Management

Pension Fund Treasury Management				
Overall assurance rating	Audit findings requiring action			
 <b>Substantial</b>	Extreme	High	Medium	Low
	0	0	0	2

The pension fund strategy was approved by the Pension Fund Committee at the March 2023 meeting. The strategy provides clear background information and context for the fund activity and establishes the overall aim to maintain a liquid cash position. The strategy includes limits on minimum cash levels, establishes the type and credit ratings acceptable for an investment with an inclination towards short term investments.

Cashflow processes are completed accurately, checked by another officer and approved by the Treasury Manager. The minimum liquidity is considered and supporting evidence is retained. We take assurance from testing conducted as part of the council Treasury Management audit 2022-23, where practices are the same and the fund is part of the overall process. There was no borrowing activity within the pension fund treasury management during the period, with strict restrictions outlined in the strategy to only enter into borrowing if short term. All investments were compliant with the strategy and supported by retained trade deal confirmations. The interest due was calculated correctly and received promptly.

The head of pension fund and treasury manager meet periodically and discuss activity and cashflow forecasting. Reports are submitted to the Pension Fund Committee quarterly, with the majority provided by LPPI as the primary partner for investment. The council provides year in summary reports, which show basic statistics for the fund cashflow and short-term investments. In December 2022, a more detailed report was provided by the council, named the Cash Summary, which added narrative and context to explain the cash flow and investment statistics and highlight areas of concern, such as briefs periods where the minimum fund levels might be breached.

### Context

Treasury management activities involve monitoring and administering a fund, cashflow and banking, whilst maximising any surplus cash via investment activity. The fund strategy should define the risk appetite and minimum cash levels to ensure investment activity is controlled.

There is limited investment activity by the council treasury management team, with a total of 23 investments undertaken in the period April 2022 to March 2023. The majority of investments were short term, between 1 to 115 days in duration and all were with either the council or other local authorities. The total investment in the period was £183.1m, returning approximately £352k in interest.

### Scope of Audit


In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Strategy, procedures and independent advice;

## **Pension Fund Treasury Management**

- Cash Flow management;
- Management of Investments and Borrowings;
- Financial Reporting.

## Domestic abuse strategy

Domestic abuse strategy				
Overall assurance rating	Audit findings requiring action			
 <b>Substantial</b>	<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
	0	0	0	0
<p>Good progress has been made by the council to meet its new statutory duties under Part 4 'Local Authority Support' of the Domestic Abuse Act 2021. This includes providing support to victims of domestic abuse and their children within relevant safe accommodation such as refuge and safehouses as well as a wider remit of support for victims to remain in their own homes. The Lancashire Domestic Abuse Partnership Board was established in 2021 along with a terms of reference in accordance with the Act to support Lancashire in meeting its statutory duties to develop a Safe Accommodation Strategy. It sets out what Lancashire is doing to provide safe accommodation and support over the next three years and of this what has been completed.</p> <p>The board is now looking to widen its remit to consider all aspects of the Domestic Abuse Act 2021 and a plan is being developed to identify the areas the board will be able to support and influence to improve support to victims of domestic abuse and their children. Contract monitoring of the providers is undertaken and whilst the performance data provided is comprehensive this is being revised to provide an overall analytical snapshot to identify any significant changes or gaps in service delivery to allow the council to respond appropriately and timely.</p>				

## Context

The Domestic Abuse Act 2021 (the Act) placed statutory duties on Tier 1 Local Authorities relating to the provision of support to victims of domestic abuse and their children residing within safe accommodation. The Lancashire Domestic Abuse Safe Accommodation Strategy 2021- 24 (the Strategy) is part of the response to this duty. Additionally, under Part 4 of the Act 'local authority support' requires the council to appoint a multi-agency Local Partnership Board, the overall responsibility of delivering against the Strategy sits with the Board. There is also the requirement to report annually to Central Government. To fulfil these new statutory duties the Department for Levelling Up, Housing and Communities (formally the Ministry for Housing, Communities and Local Government) provided grant funding of £2,493,526 for the financial year 2021/22.

Funding is known to be continuing up until 2025 with funding of £2,550,447 being received for the financial year 2022/23. Additional services have been commissioned since the start of the council's new duties including male refuge provision and outreach services to provide support to victims of domestic abuse where they have not accessed refuge or other safe accommodation support. The number of units within safe accommodation has increased from 2021/22 to 2022/23 by ten to 183 units available across the county.

In Lancashire during 2021/22 the number of high-risk cases discussed at a multi-agency risk assessment conference was 2,166. There were 18,571 recorded domestic abuse crimes, and according to the Crime Survey for England and Wales year ending March 2020, not updated due to the pandemic 49,007 adults experienced domestic abuse in the last year.


## Domestic abuse strategy

### Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Compliance with statutory guidance
- Multi-agency Domestic Abuse Local Partnership Board
- Monitoring of the Safe Accommodation Strategy
- Reporting to central government

## Absence Management

Absence Management				
Overall assurance rating	Audit findings requiring action			
 Moderate	Extreme	High	Medium	Low
	0	0	2	0

The council's policy is followed by employees and managers in respect of sickness and other non-annual leave absences. The Council has detailed policy and guidance on absences available to employees and managers via the Human Resources pages on the Intranet facility.

Sickness absence performance data was made available to managers and HR on a monthly basis until November 2022. This facility was not available between November 22 and May 23 due to the move to Oracle Fusion and the development work undertaken to ensure the reports provide the required information.

Data relating to other types of non-annual and unpaid leave absences is not currently collated and reported to managers and HR in the same manner. Absences that result in significant numbers of lost work days may not be identified for consideration in terms of staffing resource requirements/ replacements and associated budgetary costs.

There may be an impact on the ability of services to achieve their (and corporate) objectives. There was some inconsistency in the use of Oracle R12 to record sickness absence activity and contact. Where this information was not evident in the system, managers maintained manual records, including the use of template documentation provided as part of the Council's sickness absence policy. An enhancement provided by the Oracle Fusion system allows managers to attach documentation to a sickness record but Council policy does not currently define what information in addition to the initial absence record should be entered in to Oracle.

## Context

The Council's Intranet facility provides appropriate Human Resources policy and guidance on staff absences that employees and managers are expected to follow. These include sickness, extraneous and official duties, trade union duties, paid and unpaid special leave and leave without pay. The Corporate HR team provide oversight and support to managers and staff involved in absence management.

Excessive absences can result in a financial cost to the Council and/ or a failure to deliver service objectives. Inconsistent compliance with policy can result in inequitable treatment and potential abuse of the system. Regarding sickness, Council policy aims to provide adequate support to staff who are ill to help them return to work.

Up to November 2022, all leave should have been input to the Oracle R12 system and approved by line managers. Thereafter, via the Oracle Fusion system. In addition to inputting and approving absences, Fusion allows managers to attach documents such as GP sick notes and return to work interviews. The Council employs over 12,000 non schools staff.




## Absence Management

### Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following control areas:

- Absence policy and guidance;
- Data and performance analysis;
- Management of sickness absences; and
- Managing other types of absences.

## Workforce Wellbeing

Workforce Wellbeing				
Overall assurance rating	Audit findings requiring action			
 <b>Moderate</b>	<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
	0	1	2	0

There is a significant range of information, guidance, and documentation available to support staff with their wellbeing, including corporate training and the employee support and assistance programmes. However, we found the council's overall approach to the management and promotion of wellbeing and the capture, analysis, and reporting of workforce wellbeing data to be unstructured. Whilst there are corporate cross-cutting workstreams being delivered by various teams and services, there is no consistent governance and oversight in place overall to ensure that corporate wellbeing objectives are being achieved through successful operation and take up of the various initiatives and support mechanisms on offer.

Whilst we can provide an opinion of moderate assurance over the control framework to support achievement of the council's wellbeing objectives, we have agreed actions to enhance aspects of the framework to ensure it is both adequately designed and operated effectively throughout.

These include the introduction of a formal corporate Health and Wellbeing Policy to formalise the Councils overall wellbeing approach; designating responsibility for oversight and delivery of the corporate offer; consolidation of wellbeing information into one primary access site to ensure ease of accessibility; improved collaborative working practices between teams and services involved in delivering wellbeing support; improvements to wellbeing training opportunities specifically for line managers and the review and update of methods to measure the effectiveness of employee support mechanisms.

## Context

This review was included as part of the 2022/23 internal audit plan by the Public Health Specialist (Wider Determinants) and Employee Support Team Leader, for the Public Health Service, to consider current methods and to help inform development of the corporate wellbeing approach and delivery of the wellbeing offer across the organisation including data capture, analysis, and reporting: measurement of success for support mechanisms; and the managers role in promoting wellbeing. Also, to consider how the wellbeing approach and offer could be further enhanced and improved to contribute to the overall corporate workplace wellbeing agenda and staff experience, in line with key wellbeing areas such as mental, physical, financial, and social, enabling staff to stay well in work.

Across the council, there are currently a number of teams and services delivering various aspects of the wellbeing approach, and these include training through the Skills, Learning and Development Service; risk assessments by the Health, Safety and Resilience Service; Employee Support Services from Public Health and Human Resources; data monitoring and reporting by Business Intelligence; and other associated corporate and directorate workstreams such as the People Strategy and the Adult Social Care Workforce Development Strategy being progressed via corporate improvement and change programmes.

Workforce Wellbeing relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the culture at work and the organisation. Providing employees with the necessary wellbeing support, knowledge, tools, and

## Workforce Wellbeing


resources, is one of the most effective ways to improve productivity, reduce absence and staff turnover, as well as developing more long term positive and preventative approaches to help people thrive at work

### Scope of Audit

In this audit we have reviewed the adequacy of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Wellbeing strategy
- Awareness of wellbeing approach
- Understanding issues and targeting support
- Measuring performance

## Office 365 Review

Office 365 Review				
Overall assurance rating		Audit findings requiring action		
 <b>Limited</b>	<b>Extreme</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
	0	2	2	0

The review identified weaknesses in the Microsoft 365 system as deployed at the council. The audit reviewed the settings recommended by the Center for Internet Security (CIS) Office 365 Benchmark V1.2.0. Of the 88 recommended settings 37 were not configured in accordance with the recommended standards. The variation to the standards was not supported by a documented risk assessment to underpin the delta and therefore it was difficult to establish if the variations were to meet the business need of the council or due to missed opportunities to strengthen the security settings.

It was identified that good controls were in place for the end user which included guides and training, the appointment of Microsoft 365 champions and the admin granting process within the tenant. However, there were no overarching processes to manage and protect data within the tenant or guest user management processes.

A Data Privacy Impact Assessment (DPIA) was undertaken in June 2022 however, the document was not finalised, and the processes identified for the management of data included in the DPIA, had not been implemented.

There were opportunities identified to increase the regular security tasks in relation to the council's Microsoft 365 tenant including a proactive guest user review and a review of any spoofed domains to highlight the risk of inappropriate access and cyber-attacks at the earliest opportunity.

## Context

The council has implemented Microsoft Office 365 (now formally known as Microsoft 365) suite of applications across its IT infrastructure. Microsoft 365 provides many benefits to the council such as automatic updates of the applications, access of files anywhere and advanced collaboration features such as video conferencing and simultaneous editing of documents through Microsoft Teams. The Office 365 Tenant is the virtual container within Office 365 which holds a customer's information such as users, domains, and configurations.

Whilst Microsoft 365 brings a wide range of benefits to the council in respect of collaboration, there are some risks inherent to the suite of applications that need to be appropriately addressed to keep the council's data secure.

The security settings found in Microsoft 365 are usually benchmarked against the best practices Center for Internet Security (CIS) Office 365 Foundations Benchmark V1.2.0.

The CIS benchmark includes standards across the following 7 domains.

## Office 365 Review

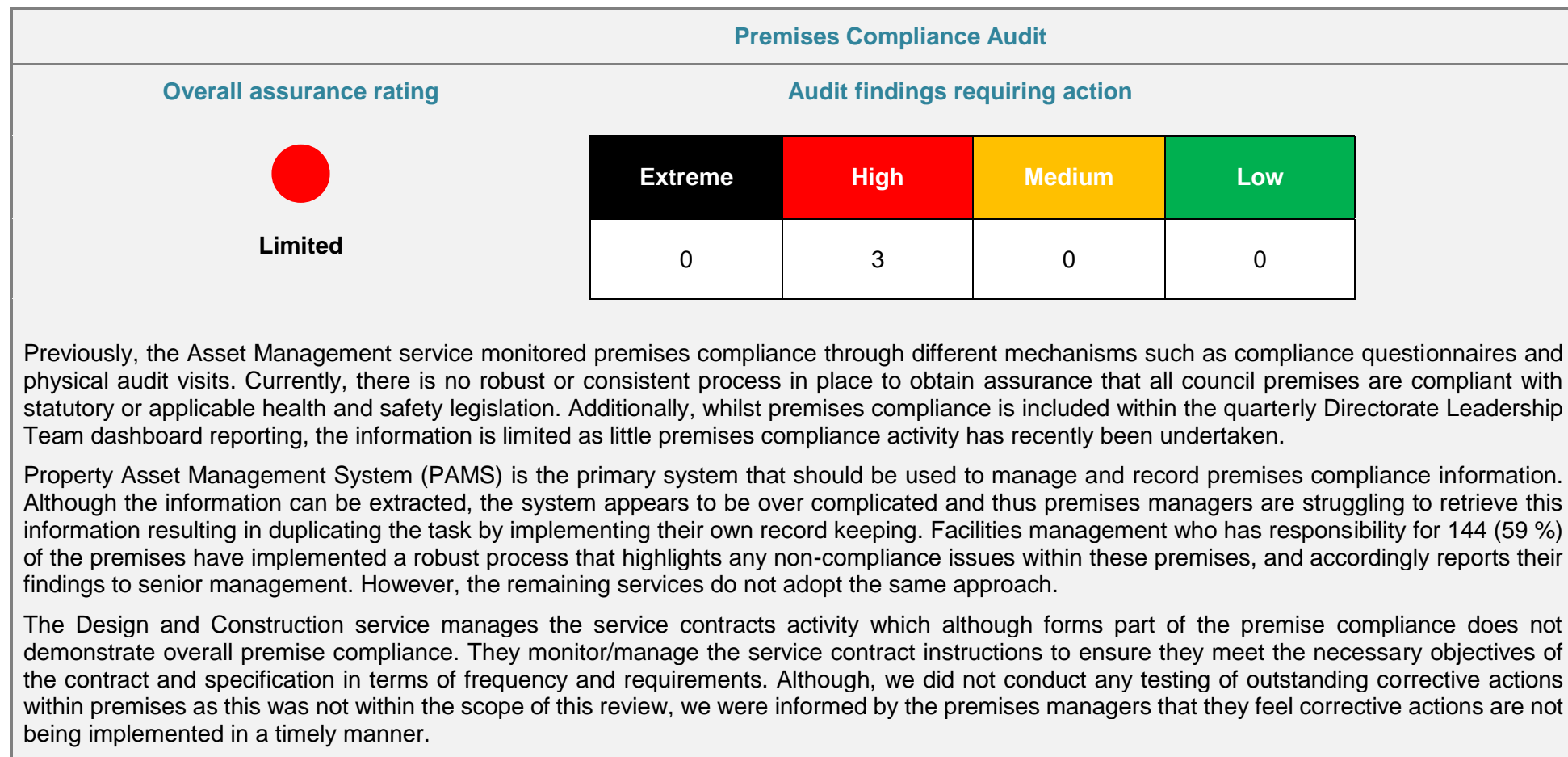
1. Account/Authentication
2. Application Permissions
3. Data Management
4. Email Security/Exchange Online
5. Auditing
6. Storage
7. Mobile Device Management

## Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Security Configuration
- End User Controls
- Management of Data
- Due Diligence and Risk Assessments
- Monitoring

## Premises Compliance Audit



### Context

The council have a duty to ensure that buildings under their control comply with appropriate statutory, regulatory, and corporate Health and Safety standards, there are a range of legislations which governs the use, occupation and maintenance of buildings and failure to comply with statutory and health & safety legislation may result in action, either under health and safety legislation or otherwise.

Within Lancashire there are 243 premises and of these premises 144 are managed by Facilities Management and the remaining 99 are managed by the individual premises manager.

All council occupied buildings must designate a person (premises manager) to be responsible for ensuring that premises management duties are carried out and records are kept, this includes service contract aspects e.g., legionella / water hygiene management regimes, asbestos, etc. Whereby a periodic inspection is conducted by an appointed contractor and non-service contract aspects such as checking of the fire alarm, automatic doors, lifts is the responsibility of the premises manager.

## Premises Compliance Audit


PAMS effectively serves three purposes, which are that the contractors use the system to upload the certificates of compliance and invoices, Premises managers' report corrective actions and obtain compliance assurance. Whilst the Design and Construction service use the system to monitor the contractor's performance in comparison to the contract specifications and to ensure the contractors are delivering the service.

## Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Roles and responsibilities relating to statutory and non-statutory requirements.
- Completion of compliance checks, including frequency, evidencing results assessing and reporting results
- Timely addressing any maintenance requirements identified during compliance checks
- Collaborative working arrangements between. Asset Management/ Facilities Management and Design & Construction
- The effectiveness of the health and safety reporting arrangements as applicable to premises compliance.
- The efficiency and effectiveness of the overall premise compliance arrangements, and in particular assessing the impact that deficiencies in the PAMS system creates.

## Older People Care Services - Financial Management

Older People Care Services - Financial Management				
Overall assurance rating	Audit findings requiring action			
 <b>Limited</b>	Extreme	High	Medium	Low
	0	1	4	0

There are some significant weaknesses in the operation of the framework of control that put the achievement of its objectives at risk, and action is required to enhance aspects of it and ensure that it is effectively operated throughout.

Whilst most establishments were aware of the Older People Care Services (OPCS) financial procedures and how to access them, pre-admission assessments of services users and financial agreements with services users are consistently not completed in full and retained. There is also evidence of ongoing financial monitoring meetings between Finance and the establishments, however, deposit monies of approximately £400k that should have been refunded to service users (SUs) or their representatives following discharge, is still held by the council, and in some cases for more than three years. It is concerning that this issue was highlighted in our previous review of OPCS financial practice, reported in December 2019 and no progress has been made in resolving it. The implications of the council failing to return monies in the proper way could lead the council open to accusation of financial misappropriation.

### Context

The Older People Care Service provides residential and daytime support services across Lancashire. This includes sixteen residential care settings and thirteen day centres. Persons who pay the full costs of their care and support are referred to as a 'self-funder'. This may be because following a financial assessment, they have enough funds to pay the full cost of any care and support they need.

Prior to February 2020, self-funding residential service users were required to pay an initial deposit equivalent to eight weeks fees, prior to admission, however the action of taking deposits has been suspended.

Residential fees are payable a month in arrears from the date of admission, via the council's preferred method of direct debit. Debts relating to non-payment of fees are referred to the council's debt management team. Self-funders accessing daytime support services are invoiced a month in arrears.

### Scope of Audit

In this audit we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks at the following establishments:

- Beacon View Care Home
- Broadfield House Care Home
- Cravenside Care Home



## Older People Care Services - Financial Management

- DeVitre day centre
- Fosterfield day centre
- Woodhill House Care Home

Relating to the following areas:

- Admissions, discharges and changes in care
- Invoicing and income collection
- Reconciliation and query resolution