

## Appendix 1c: Assurance and Themes

### Assurance



### Accounts Receivable, Social Care Debt

#### Objective

To assess whether the key controls in the Accounts Receivable, Social Care Debt system effectively prevent or detect material financial errors, on a timely basis, so that this information can be relied upon when producing the Council's statement of accounts.

#### Scope and Control Opinions

The audit evaluated the adequacy and effectiveness of the design and operation of the key controls listed in the table below, which also shows the assessed strength of each control.

Key controls tested	Strength of control
<ul style="list-style-type: none"> <li>The required escalation process is applied following non-payment of invoices.</li> </ul>	<b>Partial</b>
<ul style="list-style-type: none"> <li>Parked or Suspended Debt (i.e. debt not being actively pursued) is properly authorised and supported by appropriate evidence to confirm the initial and ongoing validity of the action.</li> </ul>	<b>Minimal</b>
<ul style="list-style-type: none"> <li>Staff declare relevant interests and appropriate action is taken to avoid conflicts of interest when allocating work.</li> </ul>	<b>Minimal</b>
<ul style="list-style-type: none"> <li>Staff access to, and permissions within, the Accounts Receivable system are restricted, according to assigned roles and responsibilities.</li> </ul>	<b>Minimal</b>
<ul style="list-style-type: none"> <li>Previous audit recommendations have been implemented properly, in a timely manner.</li> </ul>	<b>Partial</b>

In August 2013:

- an Internal Audit 'Minimal' assurance opinion on the overall arrangements for the recovery and performance monitoring of social care debt was reported to management
- a number of recommendations to improve processes and controls were agreed with officers.

Progress made in improving those processes was reported as 'Minimal' in September 2015 and new implementation dates were agreed with officers for outstanding recommendations.

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Some progress has been made to implement the outstanding areas and fully addressing all the remaining actions will ensure the escalation processes for the recovery of debt is timely as well as properly and consistently applied. The team responsible for recovering social care debt is receiving support from the Department for Corporate Services to further improve debt recovery arrangements. This piece of work also aims to address all the audit recommendations that remain outstanding in this area.

In the longer term, management are looking to further improve efficiency via a new finance module which is being introduced as part of the implementation of the new social care case management system (Liquid Logic).

The circumstances which are appropriate for 'parking debt', need to be made clear to staff. Regular management review of that debt will confirm that this is being properly applied. The Group Manager Business Support proactively undertook a review of all parked debt to ensure it was appropriate, during the audit.

Staff had not previously been asked to declare any conflicts of interest that may occur as part of the work they do. Managers in the team were proactive during the audit in addressing this. Now all members of the Finance team in the Department for People have completed the relevant documentation and appropriate action has been taken where conflicts of interest have been identified.

There is an ongoing exercise to check whether all staff access permissions to tasks and functions in the Agresso system are in line with operational need. This was agreed as part of the 2014/15 General Ledger audit. Progress made in implementing the recommendation is being reported to the Agresso Review Group chaired by the Head of People and Policy.

Number of actions agreed: 11