

Appendix 2c: Audits Revisited

Purpose of these audits

To assess whether the actions agreed in the original audit have been implemented and are now effectively embedded into the day-to-day operation of the service.

Adult Social Care Savings and Recovery Programme

Original Objective

To assess the robustness of programme management arrangements aiming to improve the outcomes for adults that need to use the Council's services, whilst also containing the net expenditure of service within its allocated budget.

Action Implementation Level

Opinion: Satisfactory Assurance

Results

Fully implemented	Substantially implemented	Partially implemented	Not implemented	Closed
10	4	1	-	-

Summary

During February 2022, Internal Audit informally reviewed several documents which had been introduced by the programme to strengthen its control environment, including the Programme Mandate, Transformation Board Terms of Reference, Project Management Handbook and associated project templates. Internal Audit provided management with interim feedback on the progress of the audit recommendations in relation to the design of controls introduced to mitigate the potential risks. Management acted upon our feedback and the operating effectiveness and ultimate completeness / closure of audit recommendations, was assessed throughout June 2022, to determine the extent to which the controls were operating in practice.

Since the original audit was finalised in November 2021, significant progress has been made in implementing the agreed actions, the majority of which are now effectively embedded into the day-to-day operation of the management of the programme.

Since our original audit the programme has transitioned from a focus on recovery to a more transformational focus. The Programme's aim is to enable the Adult Social Care vision to work collaboratively with people to enable them to live safe, well and independently in the community, connected to the people and things they love. The Programme will now have a maximum planning horizon of 3 years and this will be reviewed every January by the Transformation Board.

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Programme Scope

The Programme's aim, duration and priorities, including decision making criteria for potential projects to be considered before being in the programme, have been clarified and this is documented within the updated Programme Mandate, which was agreed by the newly formed Adult Social Care (ASC) Transformation Programme Board in March 2022.

Clarity around the Programme's priorities, entry criteria for potential projects and the decision to only allow fully resourced projects to enter the programme has made the programme's scope and workload more manageable. The requirement for a Project Brief to be produced at the outset and to be assessed by the Transformation Board means the programme is able to focus its limited resource on those projects which best align to its objectives and have the potential to realise benefits for the Council and its citizens.

Projects are also required to develop a detailed combined Terms of Reference / Business Case (ToR / BC) document, which builds on the Project Brief and further develops the project's scope. The document aims to provide a sound basis for justifying a project and acts as a baseline to monitor progress against. Internal Audit reviewed a sample of seven ToR / BCs, three live projects and four new projects which were approved by the June 2022 Transformation Board and noted that they generally provided a sound basis upon which to proceed. Some areas for improvement were identified in relation to expected benefits and escalation tolerances, which are noted within the Governance and Non-financial benefits sections below.

Governance, roles, and responsibilities

The Programme's governance structures are well defined, documented and include progress reporting. Management have worked to improve the effectiveness of the board and delivery of the programme, in particular through:

- The introduction of a holistic view of all agreed projects, including start and estimated completion dates and the recruitment of three Project Managers to ensure that all live projects are resourced
- The introduction of a Project Management Handbook, which is intended to inform anyone who is involved in Adult Social Care projects, and provides Project Managers with clarity on what is required of them, to fulfil their roles successfully. Internal Audit interviewed two Project Managers and found that roles and responsibilities were consistently understood
- Expanding the Transformation Board's standing agenda to ensure that key programme areas, such as programme plan, escalated issues, risks and non-financial benefits are discussed at board meetings
- Expanding programme and project progress reporting to cover key elements such as progress against agreed milestones, delivery of expected benefits and escalated issues, to allow the Board to make fully informed decisions. Where applicable to specific projects, this could be improved through the addition of reporting in relation to project spend against forecast
- The introduction of a decision log to capture key decisions taken by the Board and the rationale behind them. This protects the Council in the event of any challenge and acts as a useful reference point as the programme progresses

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- Actions to formalise the programme's escalation process, through the agreement of programme and project Red, Amber, Green (RAG) ratings and the additional requirement for the Board to determine escalation tolerances whereby Project Managers are required to escalate issues to the Programme Manager and Board. However, our review has identified areas where further work is required to ensure that tolerances are consistently defined prior to projects commencing for this process to operate effectively.

Financial Benefits

The Programme Mandate states that expected financial benefits will be identified in the Project Brief and Combined ToR / BC documents and that the Transformation Board will consider each of these individually. Internal Audit observed this occurring in practice at the June 2022 board meeting. The Board also includes an agenda item to monitor progress monthly.

Since our original audit the monitoring and reporting of financial benefits is now fully owned by Financial Services. Internal Audit reviewed the expected benefits of the programme's live projects for this financial year and found a consistent understanding of the anticipated savings and delivery status of these savings between Financial Services and the Project Managers. The Project Management Handbook could be improved by providing clarity as to the requirement for modelling which underpins expected financial benefits to be provided to Financial Services-for them to review and verify, on a regular basis.

Non-financial Benefits

The Programme Mandate states non-financial benefits will be identified in Project Briefs and ToR / BC and that the Transformation Board will consider each of these individually. Internal Audit observed this occurring in practice at the June 2022 board meeting. The Board also includes an agenda item to monitor progress monthly.

Non-financial benefits are included in the Programme Manager's Control Report, which is presented to the Board. This has been developed since our original audit and contains fields to capture all the required information, however further work is required to populate this and ensure that there is a clear understanding of how the non-financial benefits will be measured and demonstrated over time.

Risk Management

The risk management process has been clarified within the Programme Mandate and Project Management Handbook and Project Managers are aware of their responsibilities in relation to risk management. Since our original audit the risk register has been revised and the Programme Manager presents detailed risk information to the Transformation Board on a monthly basis.

Internal Audit reviewed the register presented to the June 2022 meeting and noted that it was significantly improved and contained fields to capture the required information, however for the 23 open risks within the register:

- 3 risks were missing current controls to mitigate them, and
- 4 were not supported by risk target dates.

Further work is required to ensure that the information contained within the programme's risk register is fully complete.

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Issue Management

The issue management process has been clarified within the Programme Mandate and Project Management Handbook and Project Managers are aware of their responsibilities in relation to issue management.

An issue register has been developed and the Programme Manager presents details of any escalated issues to the Transformation Board on a monthly basis. Internal Audit reviewed the register presented to the June 2022 meeting and noted that it contained fields to capture the required information and was complete.