



Business Services  
Organisation

Providing Support to Health and Social Care

**INTERNAL AUDIT SERVICE**

**MID-YEAR ASSURANCE**  
**STATEMENT**  
**TO THE SOUTHERN HEALTH AND**  
**SOCIAL CARE TRUST**

**FROM THE**  
**HEAD OF INTERNAL AUDIT**

**ISSUED ON 3<sup>RD</sup> OCTOBER 2019**

**MID-YEAR ASSURANCE STATEMENT FROM THE HEAD OF  
INTERNAL AUDIT**

**INTRODUCTION**

The DoH require the Chief Executives of Arm's Length Bodies to provide them with a Mid-Year Assurance Statement. The function of this document is to enable each Chief Executive, as accounting officer of an arm's length body, to attest to the continued robustness of their organisation's system of internal governance.

My Head of Internal Audit Mid Year Assurance Statement is designed to assist the Chief Executive in the completion of his Mid Year Assurance Statement. The Statement provides an independent and objective assurance on the aspects of the system of internal governance reviewed and reported on by Internal Audit in the first six months of 2019/20, including the organisation's implementation of previous accepted Internal Audit recommendations.

**INTERNAL AUDIT ASSIGNMENTS COMPLETED AND REPORTED ON BY MID YEAR**

<b>Audit Assignment</b>	<b>Level of Assurance Provided by Internal Audit</b>
<b>Finance Audits:</b>	
Fire Safety	Limited
Client Monies in Independent Sector (Residential Homes & Audit Supported Living Facilities)	Satisfactory 7 out of 10 Homes Visited in SHSCT area Limited - 3 out of 10 Homes Visited in SHSCT area (including Parkanaur College)
Travel Expenses (Trust Controls)	Satisfactory
Patients Private Property – MHD Inpatients Wards	Satisfactory
Non Pay Expenditure (OPPC)	Satisfactory
Charitable Funds	Satisfactory

The following significant findings were identified in the above audit assignments, impacting on the assurance provided:

Fire Safety

1. Fire Risk Assessments (FRAs) are not being reviewed as per the Trust's internal review timescales. 222 (53% of Trust properties) Fire Risk Assessments are overdue for review, as per the Trust internal timescales. 135 (32% of total Trust properties) overdue reviews are for category A and B premises i.e. hospitals wards / residential buildings. 90 of the 135 were more than 18 months from last review.
2. To test the adequacy of facility evacuation plans and meet statutory requirements, fire drills are required to be carried out annually. The Fire Safety Department estimates that approximately 174 simulated drills are required annually. In the 2018-19 year (1<sup>st</sup> April 2018-31 March 2019) a total of 73 simulated fire drills were carried out. At three of the 11 areas visited (Male Medical Ward DHH, Ward 1 Lurgan Hospital and Ward 3 Lurgan Hospital) a simulated fire drill had not been performed in the last year.

Client Monies in Independent Sector

3. A number of significant issues were found in respect of management of service user monies in one Supported Living Facility visited:
  - There are a number of high value purchases from client monies that merit Trust review. This includes high spend (each over £500) on clothing, bedding, flower gifts, awning and cash payments of £3,750 paid direct to staff for sitting with a client in hospital.
  - One client has been overpaying the monthly support fee. This matter has been addressed by the group.
  - Staff costs associated with a holiday to Lanzarote for 4 clients totalled £8,273. These costs were paid directly to the staff members by the clients. One client lent money to another client to pay their

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share of the staff costs and this was repaid over a number of months. Other examples of this practice were also observed.

- There are significant queries over the ownership and equitability of payment arrangements for 2 cars and a minibus paid for by tenants.
4. At one Nursing Home visited, the clients' bank account had not been reconciled to resident's ledger accounts since April 2018, when the administrator left post. Internal Audit found four personal allowance cheques totalling £406 which while lodged to the residents' bank account, had not been recorded on the client's ledger. However there was still an unreconciled variance of £73.45. Three clients had negative balances totalling almost £100.
- 5.-9. 5 significant findings were identified at one home around:
- Potential duplicate funding of one resident (circ £4,603) with DfC.
  - The reimbursement of food costs to 2 residents at the facility who purchased their own food.
  - The management of resident bank accounts.
  - The complexity of processes around management of cash held on behalf of residents.
  - The management of residents personal contributions to their care.

**SHARED SERVICE AUDITS**

The following Shared Services audits have been conducted in BSO Shared Services, as part of the BSO Internal Audit Plan. The reports will be presented to BSO Governance & Audit Committee in October 2019. A summary of the reports will also be provided to the SHSCT Audit Committee.

Shared Service Audit	Assurance
Payroll Shared Service (Follow Up Review) – as at September 2019	Limited
Accounts Payable Shared Service	Satisfactory
Accounts Receivable Shared Service	Satisfactory

**FOLLOW UP ON PREVIOUS ACCEPTED INTERNAL AUDIT RECOMMENDATIONS**

During September 2019, BSO Internal Audit reviewed the implementation of accepted outstanding Priority One and Two Internal Audit recommendations, where the implementation date has now passed. 212 (67%) of the 318 recommendations examined are now fully implemented, 103 (32%) are partially implemented and 3 (1%) recommendations have not yet been implemented.

A breakdown of the status of the implementation of recommendations is attached in Appendix A.

**Written and Issued By:  
Catherine McKeown, BSO Head of Internal Audit**

**MID-YEAR ASSURANCE STATEMENT FROM THE HEAD OF INTERNAL AUDIT  
STATUS OF IMPLEMENTATION OF RECOMMENDATIONS AS AT SEPTEMBER 2019**

**APPENDIX A**

**SUMMARY OF RESULTS TABLE ISSUED 17 September 2019**

	Audit Report / Priority	Implement ed	Partially Implemented	Not Implemented	No Longer Applicable	Previously Followed up and Deemed Implemented / No Longer Applicable	Total Number of Recommendations That Should Now be Implemented (i.e. implementation date has passed)	Percentage of Fully Implemented Recommendations
A	Governance Including Board Effectiveness 14-15	1	0	0	0	5	6	100%
	Priority 2	1	0	0	0			
B	Laboratory Contracts 15-16	1	0	0	0	14	15	100%
	Priority 1	1	0	0	0			
C	Management of Complaints 15-16	0	3	0	0	13	16	81%
	Priority 2	0	3	0	0			
D	Fraud Processes - Whistleblowing 15-16	2	0	0	0	14	16	100%
	Priority 2	2	0	0	0			
E	Income & Debt Management 15-16	0	1	0	0	3	4	75%
	Priority 2	0	1	0	0			
F	ICT 16-17	0	0	1	0	5	6	83%
	Priority 2	0	0	1	0			

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G	Case/Care Management 16-17	1	3	0	0	6	10	70%
	Priority 1	0	1	0	0			
	Priority 2	1	2	0	0			
H	GP Out of Hours 16-17	0	2	0	0	10	12	83%
	Priority 2	0	2	0	0			
I	Clinical Audit 16-17	0	1	0	0	10	11	91%
	Priority 2	0	1	0	0			
J	Absence Management 16-17	1	1	0	0	11	13	92%
	Priority 2	1	1	0	0			
K	Payments to Staff 17-18	2	1	0	0	5	8	88%
	Priority 2	2	1	0	0			
L	Non Pay Expenditure 17-18	0	0	1	0	7	8	88%
	Priority 2	0	0	1	0			

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M	Self Directed Support Payments 17-18	0	1	0	0	2	3	67%
	Priority 2	0	1	0	0			
N	Management of Domiciliary Care 17-18	0	3	0	0	3	6	50%
	Priority 1	0	2	0	0			
	Priority 2	0	1	0	0			
O	Management of Contracts Adjudication Groups (CAGs) 17-18	1	0	0	0	2	3	100%
	Priority 2	1	0	0	0			
P	Patient Flow Acute Discharges 17-18	7	1	0	0	1	9	89%
	Priority 1	0	1	0	0			
	Priority 2	7	0	0	0			
Q	Performance Management 17-18	0	1	0	0	2	3	67%
	Priority 2	0	1	0	0			
R	Management of Medical Staff 17-18	0	1	0	0	5	6	83%
	Priority 2	0	1	0	0			

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S	Mandatory Training & Staff Appraisals 17-18	0	2	0	0	3	5	60%
	Priority 2	0	2	0	0			
T	Risk Management 17-18	0	1	0	0	1	2	50%
	Priority 2	0	1	0	0			
U	Paris Implementation 17-18	1	1	0	0	4	6	83%
	Priority 2	1	1	0	0			
V	IT Cyber Security 17-18	4	10	0	1	3	17	41%
	Priority 1	0	2	0	0			
	Priority 2	4	8	0	1			
W	Peacehaven 17-18	7	1	0	0	1	9	89%
	Priority 1	0	1	0	0			
	Priority 2	7	0	0	0			
X	Regional Travel 18-19	0	5	0	0	0	5	0%
	Priority 2	0	5	0	0			

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Y	Standards & Guidelines 18-19	0	3	0	0	4	7	57%
	Priority 2	0	3	0	0			
Z	Risk Management 18-19	1	0	0	0	1	2	100%
	Priority 2	1	0	0	0			
AA	Contracts with Vol Sector (inc Surestart) 18-19	2	4	0	0	4	10	60%
	Priority 1	0	0	0	0			
	Priority 2	2	4	0	0			
AB	Asset Management 18-19	0	1	0	0	2	3	67%
	Priority 2	0	1	0	0			
AC	Case/Care Management 18-19	1	1	0	0	1	3	67%
	Priority 2	1	1	0	0			
AD	Payments to Staff 18-19	6	2	0	0	0	8	75%
	Priority 2	6	2	0	0			

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AE	Infection Prevention Control 18-19	2	13	0	0	0	15	13%
	Priority 2	2	13	0	0			
AF	Mortality & Morbidity 18-19	1	6	0	0	0	7	14%
	Priority 2	1	6	0	0			
AG	Health Roster 18-19	5	4	0	0	0	9	56%
	Priority 2	5	4	0	0			
AH	WLI Follow up 18-19	1	4	0	0	0	5	20%
	Not Prioritised	1	4	0	0			
AI	Children with Disabilities Services 18-19	0	1	0	0	0	1	0%
	Priority 2	0	1	0	0			
AJ	Trust Homecare 18-19	9	4	0	0	0	13	69%
	Priority 1	2	0	0	0			
	Priority 2	7	4	0	0			

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AK	IT Cyber Security 18-19	2	0	0	1	0	2	100%
	Priority 1	0	0	0	1			
	Priority 2	2	0	0	0			
AL	Theatre Utilisation 18-19	5	17	1	0	0	23	22%
	Not Prioritised	5	17	1	0			
AM	Board Effectiveness 18-19	5	0	0	0	0	5	100%
	Priority 2	5	0	0	0			
AN	Review of Client Monies at Parkenaur College 19-20	2	1	0	0	0	3	67%
	Priority 2	2	1	0	0			
AO	Client Monies in the Independent Sector 19-20	0	3	0	0	0	3	0%
	Priority 2	0	3	0	0			
	<b>Grand Total</b>	<b>70</b>	<b>103</b>	<b>3</b>	<b>2</b>	<b>142</b>	<b>318</b>	<b>67%</b>