

Final Internal Audit Report

Health Visiting

September 2018

Distribution: Interim Executive Director of DASS, Adult Social Care and All Age Disability (Final only)
 Director of Public Health
 Interim Director of Children’s Social Care and Early Help
 Director of Commissioning and Procurement
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 Joint Head of Children and Maternity Integrated Commissioning Category Manager

Assurance Level	Recommendations Made	
Limited Assurance	Priority 1	1
	Priority 2	1
	Priority 3	0

Status of Our Reports

This report (“Report”) was prepared by Mazars Public Sector Internal Audit Ltd at the request of London Borough of Croydon and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of London Borough of Croydon and to the fullest extent permitted by law Mazars Public Sector Internal Audit Ltd. accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification by any third party is entirely at their own risk.

Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality

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1. Introduction

- 1.1 In October 2015, the 0-5 Healthy Child Programme was transferred from NHS England to local authorities, including Health Visiting services and Family Nurse Partnership services.
- 1.2 As part of the Health Visiting Services contract, the Council is responsible for undertaking antenatal health visits, the new baby review, 6-8 week assessments, the one year assessment and 2 to 2.5 year review. These arrangements allow support in early intervention, community development and complex care packages.
- 1.3 These requirements have been contracted out to Croydon Health Services (CHS) under a Section 75 arrangement, to carry out the checks on the Council's behalf.
- 1.4 As part of the agreed 2017/18 Internal Audit Plan, an internal audit in respect of Health Visiting service was identified to be undertaken.

2. Key Issues

Priority 1 Issue

While the Council receives monthly detailed reports on key performance indicators and has conducted a recent extensive six month Health Visiting Services Review, appropriate contract monitoring processes were not in place to obtain assurance of the general conditions in the S75 Agreement and the actual processes undertaken by CHS, including those for safeguarding. **(Issue 1)**

Priority 2 Issue

There is a requirement in the S75 Agreement service specification for CHS to conduct an annual audit of 50 randomly selected cases and provide a copy of the report to the Council, however this has not happened to date. **(Issue 2)**

3. Actions and Key Findings/Rationale

Control Area 3: Inspections and Monitoring		Detailed Finding/Rationale – Issue 1
Priority	Action Proposed by Management	
1	<p>To date contract monitoring has concentrated on those numerical Key Performance Indicators (KPIs), which form part of the mandatory elements of the Health Visiting Service. The reason for this is that this information is used by Public Health England and CIPFA (Public Health) to do comparative analysis which builds up a detailed view of how Croydon's Public Health service compares to others boroughs.</p> <p>Since the project commenced, performance by the provider has been poor. The commissioning team's focus has been on working with the provider to improve on the overall delivery of the mandatory KPIs. A remedial action plan and a transformation plan are now in place and the provider is making some way in meeting its contractual obligations.</p> <p>There have been a number of staffing changes within the Integrated Commissioning Team and Children's</p>	<p>In order to obtain assurance that Croydon Health Services (CHS) is providing Health Visiting services as detailed in the Section 75 arrangement to ensure that appropriate safeguarding procedures are in place, robust contract monitoring procedures should be in place.</p> <p>Contract monitoring procedures were not available. Discussion established that, while the Council receives monthly detailed reports on key performance indicators and that a recent extensive six month Health Visiting Services Review was carried out (which included a postal survey of 1000 families), robust contract monitoring processes were not in place to obtain assurance of the general conditions in the S75 Agreement and the actual processes undertaken by CHS, for instance:</p> <ul style="list-style-type: none"> - The S75 Agreement requires that Safer Recruitment procedures are in place and that CHS staff are DBS (Disclosure and Barring Service) checked. Furthermore, the S75 Agreement requires that the Trust, upon request provides details of its recruitment procedures. However, other than assurances from CHS, the Council has not verified any of the processes in place or checked that any staff are DBS checked. - The S75 Agreement requires that there are adequate CHS staff and that they are appropriately trained, registered with the appropriate regulatory body, are paid a wage in excess of the London Living Wage, etc. The S75 Agreement requires that the Trust provides, upon request, evidence of its compliance. The Council has not conducted any checks in this regard. - The Council has not been monitoring additions and removals to the service of 0-5 year old children in the borough.

	<p>Service over the last year and this has not helped. This has resulted in those other contractual elements which the provider is required to report on (highlighted by the audit report), not being as rigorously monitored as is planned going forward.</p> <p>The interim Children's Commissioning Manager is now in the process of putting together an action plan to have the provider report on all aspects as set out in the contract.</p>	<p>Where the Council does not monitor and obtain assurance over the general conditions in the S75 Agreement and the actual processes undertaken by CHS (including safeguarding), there is a risk that the requirements of the S75 agreement are not being met and that appropriate safeguarding arrangements are not in place.</p>
<p>Responsible officer</p> <p>Category Manager</p>	<p>Deadline</p> <p>The Commissioning Team has formally written to the Trust and asked them to respond by the 10 July with information on the transformation plan</p> <p>Quarterly monitoring of the contractual requirements will be strengthened to include aspects previously not covered - deadline from Q2</p>	

Control Area 5: Performance Review and Budget Monitoring

Control Area 5: Performance Review and Budget Monitoring		Detailed Finding/Rationale – Issue 2
Priority	Action Proposed by Management	<p>The S75 Agreement details that under Performance Management, 'the Health Visiting Service is to undertake an annual audit of 50 randomly selected cases. A copy of the audit report is to be provided to the Authority on request.'</p> <p>Discussions established that the annual audit has not happened to date, hence no report has been provided to Croydon Council. However, Internal Audit is aware that an extensive six month Health Visiting Services Review was carried out.</p> <p>Where the annual audit of 50 randomly selected cases is not carried out, there is a risk that the provider is unable to evidence that care is being provided in line with the standards and guidance set out in the service specification. By not carrying out these audits, the providers will be unaware of whether their service is performing at an adequate level and whether there are areas for improvements.</p>
2	As in point 1 above the Interim Children's Commissioning Manager is putting together an action plan which will detail what the provider is required to do and will detail the annual audit of 50 randomly selected cases	
Responsible officer	Deadline	
Category Manager	<p>Action plan by the end of July 2018</p> <p>Audit of cases completed and report delivered end of November 2018</p>	

TERMS OF REFERENCE

Health Visiting

1. INTRODUCTION

- 1.1 In October 2015, the 0-5 Healthy Child Programme was transferred from NHS England to local authorities, including health visiting services and Family Nurse Partnership services.
- 1.2 The Council is responsible for undertaking antenatal health visits, the new baby review, 6-8 week assessments, the one year assessment and 2 to 2.5 year review. These arrangements allow support in early intervention, community development and complex care packages.
- 1.3 These requirements have been contracted out to Croydon Health Services under section 75 arrangement, who carry out the checks on the Council's behalf.
- 1.4 As part of the agreed 2017/18 Internal Audit Plan, an internal audit in respect of Health Visiting's was identified to be undertaken.

2. OBJECTIVES AND METHOD

- 2.1 The overall audit objective is to provide an objective independent opinion on the adequacy and effectiveness of controls / processes.
- 2.2 The audit will for each controls / process being considered:
 - Walkthrough the processes to consider the key controls;
 - Conduct sample testing of the identified key controls, and
 - Report on these accordingly.

3. SCOPE

- 3.1 This audit will examine the Council's arrangements in relation to Health Visiting, and will include the following areas:





3.2

Control Areas/Risks	Issues Identified		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Legislative, Organisational and Management Requirements	0	0	0
Contract Formalities, Specification and Management	0	0	0
Inspections and Monitoring	1	0	0
Payment	0	0	0
Performance Review & Budgetary Control	0	1	0
TOTAL	1	1	0

DEFINITIONS FOR AUDIT OPINIONS AND RECOMMENDATIONS

In order to assist management in using our reports:

We categorise our **audit assurance opinion** according to our overall assessment of the risk management system, effectiveness of the controls in place and the level of compliance with these controls and the action being taken to remedy significant findings or weaknesses.

	Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are consistently applied.
	Substantial Assurance	While there is basically a sound system of control to achieve the system objectives, there are weaknesses in the design or level of non-compliance which may put this achievement at risk.
	Limited Assurance	There are significant weaknesses in key areas of system controls and/or non-compliance that puts achieving the system objectives at risk.
	No Assurance	Controls are non-existent or weak and/or there are high levels of non-compliance, leaving the system open to the high risk of error or abuse which could result in financial loss and/or reputational damage.

Priorities assigned to recommendations are based on the following criteria:

Priority 1 (High)	Fundamental control weaknesses that require the immediate attention of management to mitigate significant exposure to risk.
Priority 2 (Medium)	Control weakness that represent an exposure to risk and require timely action.
Priority 3 (Low)	Although control weaknesses are considered to be relatively minor and low risk, action to address still provides an opportunity for improvement. May also apply to areas considered to be of best practice.

STATEMENT OF RESPONSIBILITY

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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