



ORKNEY
ISLANDS COUNCIL

INTERNAL AUDIT

Section 12 Payments (Community Care)

Audit Report

2014/15

Draft Report Issue Date : 28 April 2015
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Distribution :
Head of Health and Community Care
Principal Social Worker for Adults Services

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EXECUTIVE SUMMARY

- Under Section 12 (S 12) of the Social Work (Scotland) Act 1968 local authorities have a duty to provide basic and emergency help to people in need who find themselves without financial or other resources essential for day to day life until arrangements can be made for them to manage for themselves. The S 12 float is used to make payments to clients requiring financial assistance where assistance is not available from any other statutory body.
- The audit has confirmed that the payments made in the period subject to review were appropriate and in accordance with the policy and procedure. Assurance can therefore be given that the policy and procedures are being adhered to.
- As stated above, there is a policy and defined procedure in place for making S 12 payments. All applications are assessed and consideration is given during the assessment as to the use of the Scottish Welfare Fund where applicants meet the criteria for payments from that fund instead of S 12. The audit found no issues with the use of the Scottish Welfare Fund.
- Payments made are logged and repayments are monitored.
- The report includes one medium priority recommendation regarding the use and detail included on application forms. This is set out in the table below under the priority headings. The priority headings assist management in assessing the significance of the issues raised. In this audit there were no high priorities identified.
- Responsible officers will be required to update progress on the agreed action via Aspireview.

Total	High	Medium
1	0	1

The assistance provided by officers contacted during the course of the audit is gratefully acknowledged.

INTRODUCTION

The Social Work (Scotland) Act 1968 makes it a duty for local authorities to promote welfare in their area. This duty includes providing help to a person in need requiring assistance in kind or, in exceptional circumstances, cash. In practice the vast majority of help and support provided is in kind, through service provision but on occasion financial assistance is provided. The financial assistance provided may be by means of a Council order or small cash payment, provided either as a grant or a loan.

AUDIT SCOPE

The purpose of the audit was to establish whether appropriate procedures are in place, and are being followed. Also to confirm that changes arising from the introduction of the Scottish Welfare Fund have not impacted inappropriately on awards of S 12 payments to individuals i.e. S 12 payments are not being used where a Scottish Welfare Fund application would have been more appropriate.

Audit testing focussed on the period April 2014 to December 2014.

Audit Findings: Medium Priority**1.0 Payments**

- 1.1 The S 12 Special Payments Form requires the signature of the Social Worker/Senior, the Recipient and the Administrator. It was found that the completed forms often do not contain all three signatures. These sections should always be signed to confirm both that the process has been completed correctly and that the recipient has received the assistance.
- 1.2 The form of assistance provided is not currently recorded on the S 12 Special Payments Form i.e. whether it was a cash payment, Council order or food bank voucher. Where a Council order is issued the order number should be recorded on the form.
- 1.3 Where loans are made which will require an invoice to be sent to the client for repayment, there is no record on either the S 12 Special Payments Form or on the current monitoring spreadsheet that an invoice request has been submitted. There is therefore a risk that invoices may not be requested and that this would not be identified.
- 1.4 The procedure for this could be improved through recording on the S 12 Special Payments form and the S 12 monitoring spreadsheets that an invoice request has been raised.
- 1.5 The S 12 Special Payments Form and current monitoring spreadsheet should be reviewed to incorporate these changes.

Recommendation 1

	Recommendation	Responsible Officer	Management Comments	Agreed Completion Date
	Payments			
1	<p>The S 12 Special Payments Form and current monitoring spreadsheet should be reviewed to incorporate the recommended changes:</p> <ul style="list-style-type: none"> • All 3 signatures on payment form. • Form of assistance recorded on payment form. • Record of invoice request on payment form and current monitoring spreadsheet. <p>Medium Priority</p>	Principal Social Worker for Adults Services	Process towards remedying this has been started as of 28-4-15. Forms will be re-designed to allow explanation for missing client signature which is not always possible to obtain. Process for prompting invoice production will be re-designed.	June 2015

Priority	Assessment
High	<ul style="list-style-type: none"> • Key control absent or inadequate; • Serious breach of regulations; • Significantly impairs overall system of internal control; • No progress made on implementing control; • Requires urgent management attention.
Medium	<ul style="list-style-type: none"> • Element of control is missing or only partial in nature; • Weakness does not impair overall reliability of the system; • Recommendation considered important in contributing towards improvement in internal controls; • Management action required within a reasonable timescale.

Note:

It should be recognised that where recommendations in the action plan are not implemented there may be an increased risk of a control failure. It should be noted however that it is the responsibility of management to determine the extent of the internal control system appropriate to their area of operation.