

Scotland Excel

To: Executive Sub-Committee

On: 17 November 2023

**Report by:
Chief Auditor**

Internal Audit Engagement – Social Care Contracts

1. Summary

- 1.1 In line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Committee.
- 1.2 The Chief Auditor will report summaries of completed audit engagements to the Executive Sub Committee on the conclusion of each engagement for formal consideration by members in line with the best practice referred to above.
- 1.3 This report provides detail of the audit engagement completed in September 2023 with the overall assurance rating and the number of recommendations in each risk category. The detailed committee summary for the report is also attached.

2. Recommendations

- 2.1 Members are invited to consider and note the summary for the Internal Audit engagement of social care contracts processes.
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Appendix 1

Scotland Excel

Internal Audit Service

Summary of Internal Audit Reports issued

Category	Engagement	Assurance Rating	Recommendation Ratings			
			Critical	Important	Good Practice	Service Improvement
Assurance	Social Care Contracts	Substantial	0	0	0	0

Assurance Level	
Substantial Assurance	<ul style="list-style-type: none"> There is a sound system of internal control designed to achieve the objectives of the area being reviewed. The control processes tested are being consistently applied.
Reasonable Assurance	<ul style="list-style-type: none"> The internal control processes are generally satisfactory with some areas of weakness being identified that could put some objectives of the area being reviewed at risk There is evidence that the level of non-compliance with some of the control processes may put some of the objectives of the area being reviewed at risk.
Limited Assurance	<ul style="list-style-type: none"> Weaknesses in the system of internal controls are such as to put the objectives of the area being reviewed at risk. The level of non-compliance puts the objectives of the area being reviewed at risk.
No Assurance	<ul style="list-style-type: none"> Control processes are generally weak with significant risk to the achievement of the objectives of the area being reviewed. Significant non-compliance with control processes leaves the processes/systems open to error or abuse.

Recommendation Rating	
Service Improvement	Implementation will improve the efficiency / housekeeping of the area under review.
Good Practice	Implementation will contribute to the general effectiveness of control.
Important	Implementation will raise the level of assurance provided by the control system to acceptable levels.
Critical	Addresses a significant risk, impacting on the objectives of the area under review.

Internal Audit Report

Scotland Excel

Social Care Contracts (A0008/2023/001)

Date: September 2023

COMMITTEE SUMMARY

Audit Objectives

The objectives of the audit were to: -

1. Evaluate the extent to which Scotland Excel's care contracts support the principles relevant to commissioning and procurement as set out in the recommendations detailed in the Feeley Review.
2. Identify any areas for improvement and outline actions to address these.

Audit Scope

1. Obtained a copy of the publication, 'An Independent Review of Adult Social Care in Scotland', by Derek Feeley.
2. Interviewed relevant officers within Scotland Excel and obtained information relating to social care contracts.
3. Prepared a series of tests to meet the detailed audit objectives.

Key Audit Assurances

1. Scotland Excel were able to evidence that for the contracts selected for testing, work has been undertaken to ensure that, where possible, the commissioning and procurement recommendations as set out in the Feeley Review have been or will be implemented.
2. Stakeholder engagement and market research, including service users and people with lived experience has been carried out to ensure that there has been a collaborative, rights based and participative approach.
3. The Procurement Strategy and Service Specifications documentation also include ethical and fair work requirements as set out in the Feeley Review recommendations.

Key Risks

There were no key risks arising from the audit review.

Overall Audit Opinion

In the care frameworks currently being created by Scotland Excel, the commissioning and procurement recommendations set out in the Feeley Review have been incorporated, where possible, to include areas such as a collaborative, rights based and participative approach and ethical and fair work requirements. Work has been undertaken to ensure that the additional processes outlined in the Feeley Review will be included in future frameworks.