

Final Internal Audit Report – Appointee & Deputyships

Background

An allocation within the 2024/25 Internal Audit Plan, approved by Audit Committee, for emerging risks was utilised to carry out a review of the administration of Appointees and Deputyships. The review followed concerns raised by the service and the need to identify potential gaps in the services control environment.

An improvement plan has since been produced by the service and significant work is already underway to address weaknesses identified during the original investigation. Whilst this report highlights a number of control weaknesses, it is acknowledged that aspects of the work already underway within the service may address many of the risks outlined in this report.

Assurance Opinion - Limited

This means that there are fundamental weaknesses in the internal control environment within the areas reviewed, and further action is required to manage risks to an acceptable level.

Summary Key Findings

Management Oversight and Governance

The provision of an Appointee & Deputyship service places a significant burden of responsibility on the service to ensure that all actions and decisions taken in respect of client accounts are transparent and would withstand scrutiny. This review has highlighted a number of areas where controls should be strengthened to reduce the Council's risk of exposure (to allegations of impropriety).

- Insufficient managerial oversight and scrutiny of client accounts, particularly in more complex cases and where additional support may be necessary.
- Lack of adequate guidance / procedures and training offered to new and existing officers to ensure ongoing awareness of latest legislation and current practices.
- Non-compliance with service and corporate requirements (procurement).
- Weaknesses in the current income collection and debt recovery processes.

Summary of Expected Outcomes

- Management oversight and scrutiny of accounts, ensuring transparency and a clear separation of duties.
- Accounts are managed in accordance with OPG standards.
- Compliance with legislative and local requirements, including procurement; with robust audit trails.
- Provision of training and procedures.
- Adequate income and collection processes.
- Accurate list of current (bona fide) debtors.

Summary Key Findings	Summary of Expected Outcomes
<p>Service Delivery</p> <p>A rise in demand for this service has resulted in increases to officer caseloads. Current levels were a result of historical benchmarking, however discussions with the OPG have suggested these are higher than usual when compared to other local authorities.</p> <p>A decision was made to temporarily pause the acceptance of new cases and a waiting list was established. At the time of this review, new cases were being accepted and the waiting list had been cleared.</p> <p>There is no statutory duty to provide an Appointee and Deputyship service. Unlike the Council being appointee, the Council does charge a fee to act as a deputy. A flat rate is charged regardless of the complexity of the account or the administrative resources needed to manage the account.</p> <p>More complex cases and those based outside of the boroughs boundary require increased officer time. Additionally, Clients are placed outside of the Borough and still under the jurisdiction of the LBH Court of Protection service leading to difficulty in arranging visits.</p>	<ul style="list-style-type: none"> • Benchmarking against comparative local authorities. • Explore alternative sources of support for more complex cases. • Collaboration with other local authorities.

Appointee and Deputyships - Improvement Action Plan

Expected Outcomes All expected outcomes were accepted by management and a detailed improvement plan has been provided to Internal Audit, which will be monitored for implementation.		Expected Outcome Status
High	1: Management oversight and scrutiny of accounts, ensuring transparency and a clear separation of duties.	In progress – Feb 2025
High	2: Accounts are managed in accordance with OPG standards.	In progress – Feb 2025
High	3: Compliance with legislative and local requirements, including procurement; with robust audit trails.	In progress – Feb 2025
Med	4: Provision of training and procedures.	In progress – Mar 2025
Med	5: Adequate income and collection processes.	Completed
Med	6: Accurate list of current (bona fide) debtors.	Completed
Med	7: Benchmarking against comparative local authorities.	Completed
Med	8: Explore alternative sources of support for more complex cases.	Completed
Med	9: Collaboration with other local authorities.	Completed