

# Moray Council

## Internal Audit Section

**DEPARTMENT:** Health & Social Care Moray

**SUBJECT:** Client Monies

**REPORT REF:** 22'011

### Follow Up Audit Review

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.		Low	Lower level controls absent, not being operated as designed or could be improved.
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Date of Completion	Status / Explanation	
Key Control: Clear and current policy documents and operational guidelines have been developed for the financial management of client monies.						
5.01	The Procedures for Managing Service User's Money and Corporate Appointeeship should be reviewed and updated and a subsequent regular cycle of review maintained.	Medium	Yes	31/10/2022	Not implemented. Procedures have not been reviewed and updated as intended due to staffing absence. This will now be prioritised and a revised implementation date of 30/06/2023 has been agreed.	

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No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Date of Completion	Status / Explanation
5.02	Procedures for the management of client monies should be promoted to ensure there is an awareness of their requirements by all officers involved in client finance administration.	Medium	Yes	31/10/2022	Not implemented. As procedures have not been reviewed per 5.01, the intended promotion activity after update has not been undertaken. A revised completion date of 30/06/2023 has been agreed.
<b>Key Control:</b> Correct formal powers to administer client monies have been obtained.					
5.03	Clarification should be obtained from Legal Services regarding the length of time funds must be retained on behalf of deceased clients and potential action which can be taken should the funds not be claimed within the timeframe.	Medium	Yes	31/10/2022	Implemented. A process is now in place for active pursual of estate settlement and referral to National Ultimus Haeres Unit to aid fund dispersement where applicable. The balance held in relation to these funds has significantly decreased since the audit was undertaken.

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	Consideration should also be given to holding these funds separate to the corporate bank account for increased visibility.				A separate balance record is being maintained for increased visibility of deceased client funds and to record actions taken.	
<b>Key Control:</b> All transactions should be for benefit of the client with justifiable supplier selection, verified to source documentation and in line with the client's Financial Management Plan. Any cash held is done so securely and with full accounting arrangements.						
5.04	Due to changes in operating practices a full review of current cash handling procedures should be undertaken. The review should include a risk assessment to ensure best practices are followed regarding the safety and security of both officers and client funds. Documented procedures should thereafter be updated to reflect	High	Yes	31/07/2022	Not implemented. The topic was initially referred to Practice Governance Group, however, the service has decided a full review of the corporate account is required and a meeting has been instigated with all relevant staff. As this will take time and resources to complete a revised implementation date of 31/07/2023 has been agreed.	

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No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Date of Completion	Status / Explanation	
	any agreed changes.					
Key Control: Robust records of fund administration per client are maintained.						
5.05	Confirmation of the monthly reconciliation of the Corporate bank account to manual records should be undertaken by Community Care Finance management. This should also include the verification of a sample of transactions to source cumentation.	High	Yes	31/05/2022	Implemented. There is now a monthly management check of the corporate bank account reconciliation and a sample of transactions are independently checked for validity. The follow-up exercise has resulted in further enhancements to the management check being advised such as types of transactions for increased focus, which will increase the strength of the scrutiny process.	