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Slough Borough Council

Internal Audit Progress Report  
Audit & Risk Committee Meeting: 19 September 2013

## Introduction

The internal audit plan for 2012/13 and 2013/14 were approved by the Audit and Risk Committee on the 27<sup>th</sup> March 2012 and 25 March 2013 respectively. This report provides an update on progress against that plans and summarises the results of our work to date.

Since the last Audit and Risk Committee held in June 2013 the following 21 audit reports, relating to the 2011/12, 2012/13 and 2013/14 plans have been finalised:

### 2011/12

- Purchase Cards (4.11/12)
- St Anthony's RC Primary School (7.11/12)

### 2012/13

- Willow Primary School (4.12/13)
- Western House Primary School (8.12/13)
- Haybrook College (9.12/13)
- Parlaunt Park Primary School (10.12/13)
- Claycots Primary School (39.12/13)
- Business Continuity Planning Arrangements (41.12/13)
- Supporting People – Contract Management (45.12/13)
- Procurement – Quarter 4 Review (47.12/13)
- Budgetary Control and Financial Reporting (53.12/13)
- Data Quality – Establishment Controls (56.12/13)
- Capital Expenditure (57.12/13)
- Risk Management (60.12/13)
- Sickness Management (61.12/13)

### 2013/14

- Health and Safety (1.13/14)
- Cippenham Nursery School (2.13/14)
- Schools Financial Value Standard (8.13/14)
- Blue Disabled Parking Badges (9.13/14)
- Beechwood School (10.12/13)
- Implementation of the New Council Tax Support Rules (11.12/13)

A summary of the key issues contained within these report and the high priority recommendations are detailed in the report below from page 4.

## KEY ISSUES

### Outstanding Audit Reports from 2012/13:

Four of the 57 reports issued to management in respect of the 2012/13 Internal Audit plan remain as draft reports. Of these four, all have been outstanding for more than 50 working days (the average time these four draft reports outstanding is 153 working days). This includes the Asset Register review where we were unable to provide assurance on the control arrangements and issued a draft red report.

Whilst management assurance has been provided in the audit debrief meetings that the weaknesses identified as part of these audits will be addressed, in the absence of a completed action plan, we cannot provide assurance that these weaknesses are being addressed in a timely manner. It is therefore possible that these weaknesses and risks are not being effectively managed.

### The 2013/14 Audit Plan:

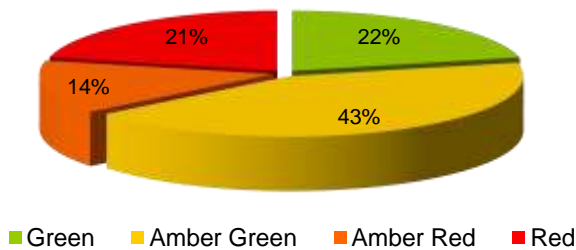
As at the 9<sup>th</sup> September 2013, 15 audit reports had been issued to the Council, six of these had been finalised, the remaining nine remain in draft. It should be noted that six of the nine draft reports relate to schools audits.

For the three draft reports outstanding within the Council, two have been issued within the last three weeks. The remaining audit is the Children's Services Procurement review where a red opinion was provided and we were unable to provide assurance on the control arrangements in place for procurement in this area.

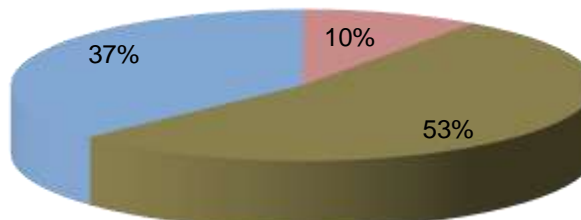
It should be noted that this is another red opinion related to procurement. The Committee may recall that we have issued a red opinion on the Procurement Quarter Four Review and an Amber-Red Procurement Quarter One Review (both conducted in 2012/13). Procurement was identified as a weakness in the Council's 2012/13 Annual Governance Statement.

The main issue within the Children's Services Procurement review was the lack of compliance with the Council's own Financial Procedure Rules. To date no formal response has been provided by the Audit Sponsor for this review. However, feedback has been provided by the Children's Services Department on the recommendations raised on this review.

#### Assurance Levels 2013/14 to date



#### Recommendation categorisations in 2013/14 reports to date:



	High	Medium	Low	Total
Recommendations raised 2013/14	8	43	30	81

## Key Findings

Of the 15 reports issued for the current year to date where a formal opinion has been provided, 2 of these have resulted in a red opinion (please note that both of these remain at the draft report stage). These audits relate to:

- Children's Services Procurement
- Training and Development

It is imperative that actions to address the weaknesses identified within these reports are undertaken on a timely basis to ensure that these systems can operate effectively in the future. Failure to do so may impact on our ability to provide an unqualified Head of Internal Audit Opinion for the year, which may also have implications for the Annual Governance Statement.

## Other Matters

### Planning and Liaison:

The time-table for quarters three and four audits for 2013/14 has been agreed, and scoping meetings held for the majority of these audits.

Monthly meetings continue to be held with the Assistant Director, Finance and Audit, where progress against the plans, responses to draft reports and upcoming audits being the main focus.

We have also attended the most recent meeting of the Risk Management Group and provided guidance on the proposed content of the Risk Management Policy and the terms of reference for the Group. We have also attended the most recent meeting of the Berkshire Internal Audit Group.

### Internal Audit Plan 2013/14 - Change Control:

The only two additional proposed changes that have been made to the Internal Audit plan since those which were highlighted to the previous Audit & Risk Committee are:

- The postponement of the Use of Agency and Workforce Planning Review until Quarter 3 2013/14 due to issues with the implementation of the software with the Council's new provider; and
- The revised date for the Sickness Management review due to the unavailability of the key contact at the Council on the originally proposed dates. The fieldwork of this audit has now been completed. .

### Information and Briefings:

We have issued the following updates electronically since the last Audit and Risk Committee:

- CB LG 01.13 Spending Review 2013 – Outcomes for Local Government
- CB LG 02.13 Local Government Counter Fraud Briefing
- LGE Update LG eUpdate August 2013

This update highlights the increased need for vigilance and strong controls in respect of the management of changes to supplier details, as this has become a particular target for fraudsters over the last 18 months. Copies of these are included within Appendix A of this report.

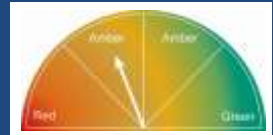
## Key Findings from Internal Audit

### 2013/14 Internal Audit Plan

Assignment: Cippenham Nursery School (2.13/14)

Final report issued : 11 July 2013

Opinion: Amber / Red



#### **Design of the Control Framework**

We identified the following weakness in relation to the design of the controls which resulted in one medium priority recommendation:

- The school has not clarified within its procedures the requirement for obtaining quotations. If the school does not receive quotations prior to making purchases over a predetermined amount it may fail to demonstrate that it is getting value for money in its purchasing process.

An additional two low priority recommendations have also been made on the design of controls.

#### **Application of and compliance with control framework**

We found that a number of controls were not adequately complied with which resulted in four medium priority recommendations:

- The School budgeted in 2012/13 for a surplus to be carried over into 2013/14 of £19k. We however obtained the confirmation of balances figures from 2012/13 and observed that there was an end of period balance of £111k which is 580% more than the budgeted carry over. Children at the school could potentially fail to receive the value of education they are required if the school is not spending their allocated budget.
- A number of staff did not sign the Laptop Register to confirm receipt of laptops from the School. The School may be unable to provide evidence in the event that a staff member denies receipt of a laptop or if a laptop goes missing or is unaccounted for.
- The School did not create purchase orders to commit expenditure for 4 of the 10 of our sample of orders selected nor could it demonstrate receipt of appropriate approval prior to making orders with suppliers. If the School does not create purchase orders prior to making orders it may overspent approved budgets if funds are unavailable. In addition the school may be liable if unauthorised orders are made.
- Delivery notes were not always received and there was no evidence to confirm receipt of goods or services prior to payment of the invoice. If the School does not receive adequate confirmation that goods or services were received by the School payments may be made for goods or services that were not delivered / received.

An additional low priority recommendation has been made on the compliance of controls as detailed in the action plan.

## APPENDIX A - Summary of Progress against the Internal Audit Plan

### 2011/12 Audit Plan (report finalised since the June Audit & Risk Committee Meeting)

Assignment	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Purchase Cards (4.11/12)	FINAL ISSUED 9/9/13	AMBER RED	2	4	1

### 2012/13 Plan (Drafts outstanding and those finalised since the June Audit & Risk Committee Meeting)

Assignment <i>Reports considered today are shown in bold</i>	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
<b>Customer &amp; Community Services:</b>					
<b>Business Continuity Arrangements (41.12/13)</b>	FINAL ISSUED 5/6/13	AMBER RED	1	6	2
Anti-Social Behaviour (37.12/13)	Draft Report 7/12/12	AMBER RED	1	3	2
<b>Wellbeing:</b>					
<b>Procurement – Quarter Four Review (12/13)</b>	FINAL ISSUED 6/6/13	RED	2	3	0
Supported People Contract Management (45.12/13)	FINAL ISSUED 9/9/13	AMBER GREEN	1	0	1
<b>Resources, Housing &amp; Regeneration:</b>					
<b>Budgetary Control &amp; Financial Reporting</b>	FINAL ISSUED 30/5/13	AMBER GREEN	1	0	5
<b>Top-Up testing across Finance Systems</b>	Completed	TESTING ONLY	N/A		
Cash Handling and Management (6.12/13)	Draft Report 28/6/12	AMBER RED	1	3	0
Asset Register	Revised Draft Report 14/6/13	RED	3	1	1
<b>Capital Expenditure</b>	FINAL ISSUED 9/9/13	AMBER GREEN	0	4	0
<b>Risk Management</b>	FINAL ISSUED 2/9/13	ADVISORY	10		
<b>Chief Executive:</b>					
<b>Data Quality – Establishment Controls</b>	FINAL ISSUED 2/9/13	AMBER RED	1	2	0
<b>Sickness Management</b>	FINAL ISSUED 2/9/13	AMBER GREEN	0	2	1
Use of Agency / Workforce Management	Postponed to Q3 13/14 Timing TBC	N/A			
<b>Schools:</b>					
<b>Willow Primary School (4.12/13)</b>	FINAL ISSUED 14/5/13	RED	2	8	4
<b>Western House Primary School (8.12/13)</b>	FINAL ISSUED 17/5/13	AMBER RED	3	3	4
<b>Haybrook College (9.12/13)</b>	FINAL ISSUED 13/5/13	AMBER RED	1	6	2
<b>Parlaunt Park Primary School (10.12/13)</b>	FINAL ISSUED 16/5/13	RED	3	11	3
<b>Claycots Primary School (39.12/13)</b>	FINAL ISSUED 22/5/13	RED	7	11	4

St Joseph's Catholic High School	Draft Report 23/5/13	AMBER GREEN	0	3	5
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## 2013/14 Annual Plan (Quarter One & Two Only)

Assignment <i>Reports considered today are shown in italics and bold</i>	Status	Opinion	Actions Agreed (by priority)		
			High	Med	Low
<b>Customer &amp; Community Services:</b>					
<i>Implementation of New Council Tax Support Rules</i>	<i>FINAL ISSUED 31/7/13</i>	GREEN	0	0	0
<i>Blue Disabled Parking Badges (9.13/14)</i>	<i>FINAL ISSUED 19/8/13</i>	GREEN	0	0	3
Trading Standards	Draft Report 23/8/13	AMBER GREEN	0	3	3
IT Strategy	30 <sup>th</sup> September 2013				
Atkins Limited – Contract Management & Third Party Procurement	Audit in Progress				
<b>Wellbeing:</b>					
<i>School's Financial Value Standard (SFVS) (8.13/14)</i>	<i>FINAL ISSUED 19/8/13</i>	ADVISORY	0	9	1
Children's Service Procurement	Draft Report 14/6/13	RED	3	3	0
Safeguarding Adult Social Operating Model Review	Postponed to: 3/3/14				
<b>Resources, Housing &amp; Regeneration:</b>					
Freedom of Information Act Compliance	To commence in Q3				
VAT / Pensions	To commence in Q3				
<b>Chief Executive:</b>					
<i>Health and Safety</i>	<i>FINAL ISSUED 2/9/13</i>	AMBER GREEN	0	3	3
Training and Development e-Learning	Draft Report 16/8/13	RED	2	2	2
Budget Setting including Cost Improvement Plans	Audit in Progress				
Declaration of Interests	Audit in Progress				
Data Quality	Audit in Progress				
Contractual Management Arrangements	Postponed to: 28/10/13				
<b>Schools:</b>					
<i>Cippenham Nursery School</i>	<i>FINAL ISSUED 11/7/13</i>	AMBER RED	0	5	3
<i>Beechwood School</i>	<i>FINAL ISSUED 1/8/13</i>	GREEN	0	1	3
Foxborough School	Draft issued 25/6/13	AMBER RED	0	5	4
Priory School	Draft issued 14/6/13	AMBER GREEN	0	3	1
Littledown School	Draft issued 5/7/13	AMBER GREEN	0	3	0
Lea Nursery School	Draft issued 5/7/13	AMBER GREEN	0	2	4
St Bernard's Catholic Grammar School	Draft issued 2/8/13	AMBER GREEN	1	0	3
Montem Primary School	Draft issued 23/8/13	RED	2	5	3

Slough Centre Nursery	Starts 13/9/13				
Parlaunt Park Primary School	Starts 19/9/13				
Baylis Court Nursery	Starts 26/9/13				



## APPENDIX A – Client Briefings

### Spending Round 2013 - Outcomes for local government

8 July 2013

CB LG 01.13

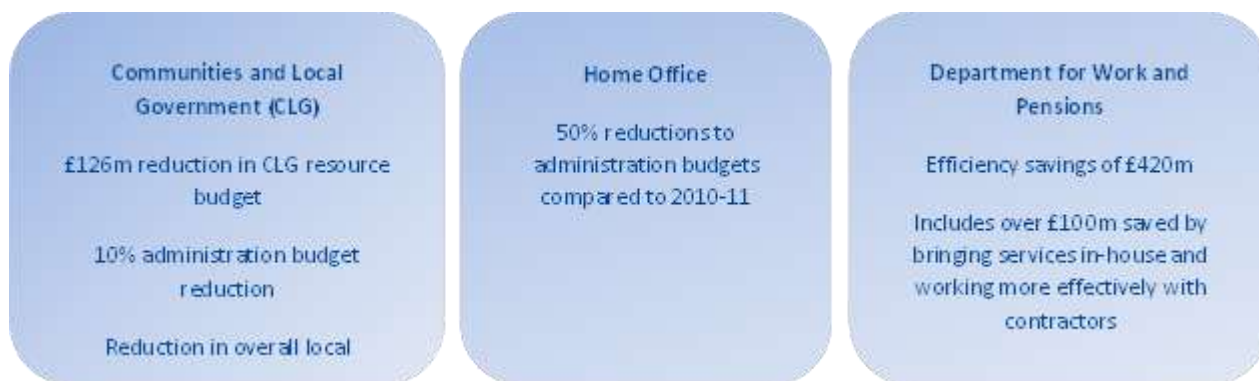
Chancellor George Osborne announced the 2013 Spending Round on 26 June detailing the Government's financial plans for 2015-16. The principles of the 2013 Spending Round are based on strengthening and enabling five key areas: prioritising growth; transforming public service delivery; controlling welfare spending; delivering efficiency savings; and ensuring fairness in spending plans. Government's investment decisions for 2015-16 are projected to enable an increase in capital spending of £3bn a year from 2015-16 and by £18bn over the course of the next Parliament. However, the overarching message received from the Chancellor was the need to reduce outlay by a further £11.5bn.

In contributing to its aims, Government intends to deliver over £5bn of further efficiency savings in 2015-16 through addressing inefficiencies in its own working practices and reducing overall running costs. Savings and reductions announced for Whitehall in the 2015-16 Spending Round include:

- A £1.9bn reduction in departmental administration budgets – representing a total 40% decrease since 2010;
- Delivery of £1.5bn in savings from the Government's projects portfolio through scaling back or discontinuing non-priority projects and promoting better project management; and
- £1bn of savings through the Government Procurement Service to include better use of IT and the promotion of digital technology as the preferred method for procuring all services.

This briefing provides an overview of key Spending Round settlements particularly focussing on those outcomes which affect local government.

#### Headline Departmental Settlements for 2015-16 Relevant to Local Government



#### Key outcomes for local government

Total government spending will amount to £745bn in 2015-16. Spending decisions for local government encompass efficiency measures affecting a number of public services and practices. Key settlements for local government include:

- Government workers to fall by an extra 144,000 by 2015-16.
- Limitation of public sector pay awards to an average of up to 1% in 2015-16; predicted to save at least £1.3bn.
- Automatic time-served progression pay in the civil service will cease by 2015-16 with new arrangements applicable to teachers, the health service, prisons and the police.
- The current council tax freeze will be extended to 2015-16.

- Plans to set the council tax referendum threshold at 2% for 2014-15 and 2015-16.
- £330m to support transformation of local services including £200m of extra funding for the Troubled Families initiative.
- £100m provided to local authorities to assist with initial costs associated with collaborative working relating to public service reform.
- Creation of a centre of excellence which will work to reduce the complexity of data sharing between services.

## Health and social care

- Spending on health will be protected in 2015-16.
- £3.8bn will be pooled for health and social care services to assist joint commissioning, to include an additional £2bn from the NHS.
- £200m will be provided to local authorities from the NHS in 2014-15 to enable upfront investment in new systems and ways of working.
- £335m will be available to local authorities in 2015-16 to support preparations for the capped social care funding system from April 2016 and deferred payment agreements from April 2015.

## Education

- The roll-out of academies will continue and funding will be provided for up to 180 new Free Schools, 20 University Technical Colleges and 20 Studio Schools each year.
- A consultation will be launched concerning how best to introduce a fair national funding formula for schools in 2015-16.

## Police and Fire

- £45m in capital funding will be available for the Fire and Rescue Service in 2015-16.
- A 7.5% reduction will be applied to Fire and Rescue Authority budgets overall.
- An innovation fund of up to £50m will be established for police forces to support joint working with local authorities on developing new and more efficient ways to prevent crime and ensure public safety and confidence.
- A £30m resource fund will be introduced to encourage greater collaboration between the fire service and other emergency services. The fund will help authorities to meet upfront costs associated with recommendations identified by the Knight Review which include sharing back office functions and running joint response systems.

## Social Housing

- Government will invest £3bn of capital into affordable housing between 2015-16 and 2017-18.
- It will also provide certainty that social rents will increase by consumer price index plus 1% a year from 2015-16 to 2024-25.
- Its approach to affordable housing is set out in *Investing in Britain's Future*, which presents Government's vision for the future of British infrastructure. This is available at <http://tiny.cc/oecrzw>.

## Welfare Reform

A significant announcement in the Spending Round is the introduction of the welfare spending cap. Excluding the basic and additional state pension, a nominal cap on national welfare spending will be introduced from April 2015. Government will set the cap limit at Budget 2014 and must try to keep spending within this limit. If the cap, which will be enforced by the Office for Budget Responsibility, is exceeded, Government will be expected to explain the reasons to Parliament.

Other welfare outcomes include an overhaul of the current benefit system for jobseekers which includes:

- 'Upfront work search' requiring all claimants to prepare for work and search for jobs from the very start of their claim;
- Weekly rather than fortnightly visits to Jobcentres;
- A seven day waiting period before claimants are eligible for financial support; and
- Annual verifications of Jobseeker entitlement.

Additionally, claimants with poor spoken English (considered a barrier to work) will be required to improve their English language skills and unemployed lone parents will be required to prepare to return to work once their youngest child turns three years of age.

The Spending Round 2013 documents are available at <http://tiny.cc/9gcrzw>.

## Local Government Counter Fraud Briefing

8 July 2013

CB LG 02.13

The National Fraud Authority (NFA) estimates that fraud costs the public sector around £20.6bn a year<sup>1</sup>. The majority of this can be attributed to fraud occurring within the tax and benefits system. Examples of fraud risks within the benefits system include:

- Claimants misrepresenting themselves or their circumstances so as to appear entitled to a reduction, discount or exemption;
- Claimants failing to declare applicable changes in circumstances;
- Claimants failing to notify changes in employment status;
- Claimants failing to disclose capital assets; and
- Claims for benefit in respect of a property which the claimant has never habited or has since vacated.

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<sup>1</sup> NFA *Annual fraud indicator 2013*

## Estimated levels of fraud and error

In May 2013, the Department for Work and Pensions published a statistical release which set out the latest preliminary estimate figures for fraud and error levels in the benefit system in the UK in 2012-13. The report projects that 2.1% of total benefit expenditure will have been overpaid due to fraud and error in 2012-13 with a projected value of £3.5bn; a rise from 2011-12 estimations of £3.4bn. Headline projections from the report include:

- 0.7% (£1.2bn) of total benefit expenditure overpaid due to fraud;
- 0.9% (£1.6bn) of total benefit expenditure overpaid due to claimant error;
- 0.4% (£0.7bn) of total benefit expenditure overpaid due to official error;
- 0.6% (£0.9bn) of total benefit expenditure underpaid due to claimant error; and
- 0.3% (£0.5bn) of total benefit expenditure underpaid due to official error.

## Welfare Reforms

The Welfare Reform Act 2012 came into force on 1 April 2013. The Act legislates for a number of significant changes to the welfare system including the replacement of a number of established benefits such as income support, housing benefit and child tax credits. In place of these benefits, the Welfare Reform Act introduces the single 'Universal Credit' payment, a new system currently being piloted in a number of areas across the UK with a view for national roll out in October 2013. One of the key aims of Universal Credit is to reduce the risk of fraud and error through more efficient identification of financial irregularities in the system, such as the payment of unemployment benefits where an income is apparent, using real-time information linked to the PAYE system.

To support this, in April 2013 the Government introduced a single integrated fraud investigation service with statutory powers to investigate and sanction Universal Credit fraud as well as all legacy benefit and tax credit offences. This is intended to improve efficiency, ensure all offences are taken into account and increase the number of investigations and sanctions.

## Fighting Fraud Locally

The National Fraud Authority publication *Fighting Fraud Locally* identifies a number of areas of non-benefit related expenditure as vulnerable to fraud. Local authorities are encouraged to develop effective counter fraud strategies to mitigate the risk of fraud in these areas:

- Procurement (pre and post contract stages);
- Grants.
- Housing tenancy;
- Direct payments (social care / personal budgets);
- Blue Badges;
- Schools;
- Employees (including payroll / recruitment, Declaration of Interest / gifts and hospitality);
- Insurance; and

Understanding the key fraud risks in each of these areas will assist in the prevention and detection of fraud, which in turn will help reduce financial pressures on local authorities and protect frontline services. A key objective for local authority counter fraud teams is to develop into 'corporate fraud teams' to proactively reduce opportunities for fraud to occur within the highlighted areas, to detect fraudulent activity promptly and to apply relevant sanctions where it is proven. Local authorities should have an effective counter fraud strategy in place underpinned by a service plan to ensure that resources are directed to areas of high risk outside of the traditional benefit related fraud areas. The strategy should mobilise staff at all levels and all those who do business with the authority, ranging from members of the public, to contractors, suppliers and elected members. Local authorities should ensure they are 'fraud-aware' and equipped to take preventative and reactive action.

### How we can help

Changes to the welfare system, together with the current economic climate, provide the opportunity for local government to evaluate existing counter fraud arrangements to ensure they remain effective and respond to the changing welfare landscape and related fraud risks. RSM Tenon can assist local authority counter fraud teams in developing effective strategies and service plans as they work to become corporate fraud teams. We have over 40 counter fraud specialists who provide a high quality and professional counter fraud service supported by an extensive client base to facilitate the sharing of good practice and benchmarking. Our specialists investigated over 300 cases last year, helping our clients take out criminal, civil disciplinary and regulatory sanctions.

For further details of how we can help please contact RSM Tenon's Fraud Solutions team who will be happy to assist.

## RSM Tenon's Local Government Update

This eUpdate provides information on some of the recent key publications and issues concerning local government.

### Leadership and Standards in the Police

The House of Commons Home Affairs Committee has published a report which considers leadership and standards in the police force. The report presents a number of recommendations for addressing current inconsistencies in police operations including 'grey areas' within expected standards of conduct and low levels of morale amongst officers. The report recommends higher levels of accountability in the police service by introducing a new ethics code for officers and greater use of fines for misconduct. Key proposals include: introduction of a 'Certificate of Knowledge

### RSM Tenon's Welfare Reforms Survey

In response to the significant implications of the Welfare Reform Act 2012 RSM Tenon is undertaking research to examine the impacts of, and responses to, the introduction of welfare reforms. In this aim, we would be grateful if you could take the time to complete our short survey, which is now live, and can be accessed [here](#). We are seeking responses from arm's length management organisations (ALMOs) and local authorities that have retained ownership and management of their housing stock. Respondents' data will be treated in confidence and all

in Policing' for all levels of the force which must be obtained by all new officers; introduction of a new Code of Ethics and Integrity for police officers by the College of Policing; requirement for the interests of all new Chief Constables and Police and Crime Commissioners to be recorded on a National register; introduction of a scale of fines deductible from officers' pensions in cases of serious misconduct; and a change in the law to allow 'positive' action on diversity. Further information is available [here](#).

#### [Giving Tenants Control: Right to Transfer and Right to Manage Regulations](#)

The Communities and Local Government (CLG) department has published a summary of responses to its consultation on the 'Right to Transfer'. The Right to Transfer, which will come into force from autumn 2013, brings about a number of measures to enable social housing tenants to request a transfer of ownership on their properties from their local authority, either taking over responsibility for managing housing services themselves or transferring management and maintenance of their homes to a housing association. Local authorities will be obliged to consider all requests on their own merit and as part of the measures housing associations will be required to demonstrate how they will ensure value for money for taxpayers and how transfers will lead to the construction of new affordable homes or the improvement of existing housing stock. Further details on the measure will be set out in statutory guidance to be published in the autumn. Further information is available [here](#).

#### [Universal Credit: Roll out from October 2013](#)

The Government has confirmed arrangements for the next stage of the roll out of Universal Credit, currently already piloting in two areas of the north-west. National roll-out of Universal Credit will expand to six new Jobcentres starting from October 2013: Hammersmith; Rugby; Inverness; Harrogate; Bath; and Shotton. Alongside this, the 'Claimant Commitment' will also roll out to all Jobcentres from October together with further support to

participants will receive a copy of our report, which will follow once our survey has closed. The survey will remain open until 19 August 2013.

#### [New support for adult social care data collections](#)

The Department of Health (DH) is to provide an extra £11.8m in funding to assist local authorities in implementing new measures for the annual collection of data by the Health and Social Care Information Centre (HSCIC). Following a review of the types of data necessary for authorities to adequately assess their performance in providing care and support, it was decided that the certain changes to data collections would take place as follows: (from 1 April 2013) a new Adult Safeguarding Return (to replace the Abuse of Vulnerable Adults return); a revised annual Deprivation of Liberty Safeguards (DoLS) return; extension of the National Minimum Data Set for Social Care (NMDS-SC) return to include information on qualifications; (from 1 April 2014) existing social care activity collections to be replaced by a new collection on Short and Long-Term Support (SALT); existing Personal Social Services Expenditure Return to be replaced by a new finance collection; and both the SALT and Finance collections to draw on a new Equalities and Classifications Framework (EQ-CL). The DH provides further information on the new burden funding to be received by local authorities in 2013-14 in a letter to UK local authorities. This is available [here](#).

#### [Draft national eligibility criteria for adult care and support](#)

The DH has published a discussion document which sets out draft proposals and regulations for a new national minimum threshold for eligibility criteria for adult care and support. The national eligibility criteria is introduced as part of the 2013-14 Care Bill and from April 2015 will set a minimum threshold for individuals' care and support needs which must be met by local authorities. The eligibility criteria are being introduced to address perceived confusion with current arrangements

improve access to digital services. Widespread roll out of Universal Credit nationally is expected to complete in 2017. The Government intends to publish further details on development plans in the autumn. Further information on Universal Credit is available [here](#). Further information on the Claimant Commitment is available [here](#).

#### [Survival of the fittest: The difficult world of Alternative Service Delivery and 'Spin-Offs'](#)

RSM Tenon is witnessing more and more councils considering alternative service delivery models as part of their future and how their sustainability might be increased through a more independent and commercial footing. This document considers the nature and benefits of the 'Spin-off' for councils before discussing the inevitable risks that accompany the design, set-up, operation, development and growth stages of their implementation. To access the document, click [here](#).

#### [Finance Transformation: Is your finance function fit for the future?](#)

In this new circular, RSM Tenon considers how local government can take action to ensure that council finance functions are resilient and sustainable enough to support authorities in tougher times. The document sets out a series of case studies and delivery models to demonstrate how RSM Tenon has assisted councils using its Finance Transformation Programme which supports authorities to achieve their finance function objectives. To access the circular, click [here](#).

and to offer clarity by reducing the variation in what local authorities consider to be eligible needs through introduction of a national minimum threshold. A formal consultation on the plans will be launched in 2014. Further information is available [here](#).

#### [Changes to direct payments for healthcare](#)

The Government's response to a consultation on proposed changes to the direct payments for healthcare regulations has been published by the DH. The proposals extend personal health budgets, including direct payments for healthcare, beyond the pilot programme. Personal health budgets were piloted in over 60 sites across England between 2009 and 2012. This document summarises feedback received from the consultation and sets out the Government's decisions on changes to be made to the direct payments for healthcare regulations as a result. Further information is available [here](#). Information on personal health budgets is available [here](#).

#### [Stop, Start, Continue](#)

RSM Tenon recently canvassed a number of senior people in local government asking them to describe, in a single word or phrase, the sector 'now' and what it might look like in five years' time. Responses fell into two distinct groups: those with the glass half full; and those with it half empty. RSM Tenon Partner and National Chair of the local government and emergency services sector group, Matt Humphrey, considers the results of the survey in a new article for the Local Government Chronicle. To read the commentary, click [here](#).

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

This report is prepared solely for the use of Authority and senior management of Slough Borough Council. Details may be made available to specified external agencies, including external auditors, but otherwise the report should not be quoted or referred to in whole or in part without prior consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended for any other purpose.

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