



Internal Audit Report  
Corporate & Democratic Services  
Revenues & Benefits Service  
A21 – 03 Welfare Rights  
June 2022

## Final Report

(Report No 22/153)

Legal and Governance  
Corporate and Democratic Services  
Perth & Kinross Council  
Council Offices  
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**[A21 – 03 Welfare Right]**

Contents by Section

1. Introduction
2. Audit Background Information
3. Scope and Limitations
4. Assessment of the Control Environment
5. Summary of Findings
6. Conclusions
7. Acknowledgement
8. Authorisation
9. Distribution
10. Assessment Definitions

## **1. Introduction**

- 1.1 The audit of Welfare Rights was undertaken as part of the Internal Audit Plan for 2021/2022, which was approved by the Audit Committee on 30 June 2021.
- 1.2 The indicative scope for the audit was to ensure arrangements are in place to appropriately support communities.
- 1.3 This audit is linked to the Strategic Risk 3 – Economic Wellbeing and also links with Strategic Risk 4 – Poverty and Equalities.

## **2. Audit Background Information**

- 2.1 The Welfare Rights and Welfare Fund teams are part of Revenues, Benefits & Welfare Rights function within Corporate & Democratic Services. In addition to their standard workload, the teams have led in the administration of COVID-19 related payments to individuals and households. They have also supported other community and voluntary organisations to identify and support people through the application process.
- 2.2 The Service has been proactive in signposting people to these grants through targeted campaigns and general social media messaging to encourage those who are entitled to apply and receive relevant funding. The focus of this audit was to ensure that the arrangements in place and were effective in the assessment of applications in relation to these grants to individuals and households arising from various schemes from the UK and Scottish Governments.
- 2.3 The teams have needed to respond at pace to new schemes and revisions to schemes as time has progressed, with supporting processes and procedures being put in place and revised.

## **3. Scope and Limitations**

- 3.1 The scope of this audit is as detailed in the control objectives below. The review aims to provide assurance on the adequacy of the internal controls in place to ensure that applications were assessed against the relevant criteria to ensure that accurate payments were made to eligible people on a timely basis. The review included an examination of applications, where relevant, and the implementation of processes leading to the approval or otherwise of the claims. The review did not include a review of the process for payment of these to individuals or households and did not include a deep dive into details contained within Welfare Rights cases.

## **4. Assessment of the Control Environment**

- 4.1 The table below contains a summary of the findings against each control objective and Internal Audit's assessment of the adequacy and effectiveness of the controls in place to meet each of the objectives agreed for this audit.



No.	Control Objective	Action Rating					Control Objective Assessment
		5	4	3	2	1	
1	To ensure that adequate arrangements are in place for the processing of applications, the identification of eligible households and the assessment for payment of relevant grants.						Substantial

- 4.2 The auditor has assessed that substantial assurance can be placed on controls overall in relation to arrangements in place for the assessment and processing of grant funding. Meaning: There are appropriate controls in place to have adequate assurances in the welfare rights division.
- 4.3 A summary of the key findings and actions are provided in section 5, please note however, the following areas of good practice which have been highlighted during the audit:
- 4.4 The Service has kept abreast of changes to the terms and conditions of grants throughout the period and has represented local authorities on working groups. This has allowed Perth & Kinross to respond quickly when new grants or changes to grant conditions are being considered/
- 4.5 In addition to being proactive through communication campaigns, including the use of social media, Welfare Rights and Welfare Fund have been proactive in contacting all individuals and households where they are aware that they would qualify for certain grants.
- 4.6 Where changes to conditions were implemented, the teams reviewed previously declined cases to ascertain whether the change would have meant a different outcome for their application.
- 4.7 The rapid response to changes in grants and their conditions along with the attention to detail by the team is to be commended.

## 5. Summary of Findings

- 5.1 A sample of grant applications and payments made were selected for testing to ensure that appropriate procedures were in place and fully implemented. Applications reviewed also included those which were assessed as ineligible for payment. The audit found that adequate arrangements were in place. The following paragraphs include detail for the specific types of grant examined.
- 5.2 Self-Isolation Support Grants
- This grant is to allow people with low-income backgrounds to be able to adhere to the regulations set out by Test and Protect Scotland. There have been 12 changes to the legislation since the start of the Covid-19 pandemic, which at times impacted on the speed of processing decisions. Whilst this impacted on the timeliness of some decisions at each change-over, decisions were made on a timely basis.

Controls were in place for the timely assessment of applications and for their processing. On one occasion, a duplicate application was assessed however subsequent controls in place highlighted this prior to any payment being made.

#### 5.3 Low Income Pandemic Payments:

This one-off payment was made to eligible households who met certain criteria. The audit found that adequate controls were in place for the identification of potential applicants and for processing of these payments, which were time limited.

#### 5.4 Community Care and Crisis Grants:

Community Care and Crisis grants are available to applicants who meet a set of criteria. The audit revealed that procedures were in place and were followed for the sample selected, with appropriate decision-making was in place.

#### 5.5 The outstanding attention to detail that the Welfare rights team give to their clients is a credit to their profession. The evidence provides assurance that every applicant is fully understood and that support is given to help clients receive the best possible outcome.

### **6. Conclusion**

#### 6.1 The Internal Audit review is able to place substantial assurance on the overall control environment for the assessment and processing of applications by the Welfare Rights team for the payment of grants.

### **7. Acknowledgements**

#### 7.1 Internal Audit would like to thank all officers from Revenues, Benefits and Welfare Rights who were involved in this audit, particularly the Welfare Rights and Welfare Fund Team Leader.

### **8. Authorisation**

#### 8.1 The auditor for this assignment was C. Carena. The supervising auditor was J Clark.

This report is authorised for issue.

## 9. Distribution

- 9.1 This report has been distributed to:
- T. Glen, Chief Executive
  - K. Donaldson, Chief Operating Officer
  - A. Taylor, Head of Corporate IT and Revenues
  - L. Brady, Revenues and Benefits Service Manager
  - N. Sutherland, Team Leader Welfare Rights and Welfare Fund
  - External Audit

## 10. Assessment Definitions

- 10.1 The following table contains the definitions of the control objective assessment.

Control Objective Assessment	
Level of assurance	Definition
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.