



**REPORT TO:** East Lothian IJB Audit and Risk Committee

**MEETING DATE:** 8 June 2021

**BY:** Chief Internal Auditor

**SUBJECT:** Internal Audit Report – PPE Stock Control

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## **1 PURPOSE**

- 1.1 To inform the Audit and Risk Committee of the recently issued audit report on PPE Stock Control.

## **2 RECOMMENDATION**

- 2.1 That the Audit and Risk Committee note the contents of the audit report.

## **3 BACKGROUND**

- 3.1 An assurance review of PPE Stock Control has been undertaken as part of the Audit Plan for 2020/21.
- 3.2 The main objective of the audit was to review the adequacy and effectiveness of the arrangements in place for the PPE Hub Stock Control.
- 3.3 The main findings from our audit work are outlined in the attached report.

## **4 ENGAGEMENT**

- 4.1 The findings from the review have been discussed with Management, but do not require wider engagement.

## **5 POLICY IMPLICATIONS**

- 5.1 None

## **6 INTEGRATED IMPACT ASSESSMENT**

- 6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **7 DIRECTIONS**

- 7.1 The subject of this report does not require any amendment to or creation of Directions.

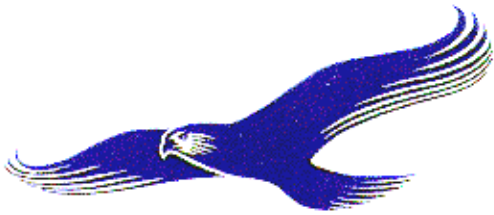
## **8 RESOURCE IMPLICATIONS**

- 8.1 Financial - None  
8.2 Personnel - None  
8.3 Other - None

## **9 BACKGROUND PAPERS**

- 9.1 None

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<b>DATE</b>	1 June 2021



East Lothian  
**Integration Joint Board**



East Lothian Integration Joint Board  
PPE Stock Control  
June 2021

**Conclusion**

Moderate Assurance

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# 1 Executive Summary: PPE Stock Control

## Conclusion: Moderate Assurance

The internal controls in place for PPE are broadly reliable, however there are a number of controls that require to be implemented or improved to provide a fully effective control environment, including the introduction of procedures to assist with any future distribution of PPE stock, the arrangements in place for maintaining stock records for Opticians/Dentists, GP surgeries and care providers and the monitoring arrangements in place for stock used by NHS staff.

### Background

We note that following the outbreak of the Coronavirus pandemic in early 2020, the Scottish Public Sector were required to assist with the provision of PPE (Personal Protective Equipment) to professionals working in health and social care sectors. The East Lothian Health and Social Care Partnership (ELHSCP) set up a hub in the East Lothian Community Hospital in accordance with national guidelines to distribute PPE stock to Opticians/Dentists, GP surgeries, care providers and NHS staff. The original development of the processes in April 2020 was completed at significant pace and utilised volunteer/redeployed staff from both NHS Lothian and East Lothian Council who were not normally involved in full time stock control. At this stage of the process there was also no clarity as to the length of time that these procedures would be required. PPE hubs continued use is currently under review following a central NHS Scotland consultation and the implementation of improvements will be dependent on the outcome of this review. Testing when records were available, identified that other than very occasional reductions in numbers of gloves delivered all requested equipment was recorded as being delivered.

### Summary of findings & recommendations

**Whilst it is recognised that the Hub followed all national processes our review of the local process highlighted the following key process improvements, which have been agreed by the Chief Finance Officer on the basis that the national review requires ongoing involvement from the ELHSCP:**

- Due to the rapid development of the processes, there was a lack of detailed procedures in place to provide clear guidance to staff responsible for administering the distribution of PPE to health and social care workers. *Management have agreed to produce procedures by March 2022.*
- The ELHSCP did not always maintain appropriate records of the quantities of stock delivered from the NHS central hub for Opticians, Dentists and GP surgeries and the weekly stock order templates from care providers had not been retained, although it is recognised that the ELHSCP followed all the required national processes. *Management have agreed to retain a local record for future stock deliveries and maintain the stock order templates for care providers by March 2022.*
- In some instances, there was a lack of a clear audit trail for stock delivered to Opticians/Dentists, GP surgeries and care providers as a result of the implementation of infection control procedures – the date of delivery had not been recorded on the delivery note, the delivery note had not been signed by the recipient and there was no reference number recorded relating to the delivery from the NHS central hub. *Management advised that although the ELHSCP did have local delivery notes in place for stock being delivered there wasn't further information included for cases where the recipient did not sign for the goods received and have agreed to include additional information on delivery notes by March 2022.*
- The monitoring arrangements in place require review – stock deliveries from the central hub are not currently recorded on the daily NHS stock returns and reconciliations between stock held and stock received had not been undertaken, although this was not required as part of the national process. *Management advised that the standard NHS template did not require stock deliveries to be included and have agreed to maintain a local record of stock received to complete these reconciliations by March 2022.*

### Recommendation Summary

Recommendations Grade	High	Medium	Low	Total
PPE	-	5	-	5

### Materiality

The East Lothian Community Hospital hub had issued 1.2 million masks, 1.025 million aprons, 4.6 million gloves, 29,800 face visors and 3,995 gels since the Coronavirus pandemic started last year.

## 2 Headlines

Objectives	Conclusion	Comment
1. The ELHSCP has procedures in place for administering the distribution of PPE.	Moderate	Due to the rapid development of the processes, the ELHSCP have not developed a comprehensive procedures manual to provide clear guidance to staff with responsibility for administering the distribution of PPE to Opticians/Dentists, GP surgeries, care providers and NHS staff within East Lothian. This wasn't a national requirement but will be implemented subject to the longer term use of the hub.
2. The ELHSCP are maintaining appropriate PPE stock levels.	Reasonable	We were informed that the ELHSCP did not purchase any PPE stock during the pandemic, stock was being provided by the NHS central hub periodically for health and social care workers. We established that only limited shortages of PPE stock were experienced at the central NHS hub during the pandemic for certain sizes of gloves.
3. PPE stock is being appropriately and securely stored.	Reasonable	We were informed that in response to the Coronavirus pandemic the ELHSCP set up a hub in the East Lothian Community Hospital to distribute PPE stock. The stock was held in a locked room at the hospital and access was restricted to one staff member during the day and the Senior Staff Nurse on duty at nights. We found that the PPE stock was being appropriately and securely stored.
4. Appropriate arrangements are in place for monitoring PPE stock levels to ensure expected demand is met.	Moderate	We were informed that from April 2020 the East Lothian Community Hospital hub prepared daily stock returns to monitor the stock levels of PPE issued to NHS staff. For the sample of 10 daily NHS returns examined, we found that records of stock received from the central NHS hub had not been recorded because the NHS template did not require a record of the quantities of stock received and reconciliations between stock held and stock received had not been undertaken as a result.
5. Adequate arrangements are in place to ensure that PPE stock had been properly allocated between Opticians/Dentists, GP surgeries and care providers.	Moderate	We sought to establish if PPE stock had been appropriately allocated during the Coronavirus pandemic. For the 10 deliveries of stock selected for Opticians and Dentists, we found that adequate records had not been retained of PPE stock deliveries from the NHS central hub. In seven cases the delivery note had not been signed by the recipient and we were unable to establish the date of delivery – the date of delivery had not been recorded on the delivery note and there was no reference number recorded relating to the delivery from the central hub. The ELHSCP did not maintain any records of the stock delivered for GP surgeries, however we found that the stock had been allocated to GP surgeries based on the list size of the number of patients registered as at January 2020, although the delivery notes had not been signed by the recipient given infection control and prevention guidance. We were informed that care providers submitted a weekly template for their PPE stock orders and the hub subsequently issued the stock with a delivery note. We found that records of stock deliveries from the NHS central hub had been maintained on a spreadsheet for care providers. For a sample of 10 care providers selected, we found that the original order template had not been maintained by the hub, although delivery notes and hub computerised records were held of the quantities issued to individual care providers.

### 3 Areas where expected controls are met/good practice

No.	Areas of Positive Assurance
1.	PPE stock is being appropriately and securely stored.
2.	Appropriate back-up documentation was held for the number of patients registered with each GP surgery.
3.	A delivery note process was set up and implemented that recorded the amounts of PPE being delivered to each location.

# 4 Detailed Recommendations

## Policies and Procedures

Objective: 1	Findings & Risk 1	Grade	Recommendation
	<p>We note that following the outbreak of the Coronavirus pandemic in early 2020 the Scottish Public Sector were required to assist with the provision of PPE (Personal Protective Equipment) to health and social care workers.</p> <p>The East Lothian Health and Social Care Partnership (ELHSCP) set up a hub in the East Lothian Community Hospital to distribute PPE stock. However from our review, we found that the ELHSCP have not developed a comprehensive procedures manual to provide clear guidance to staff with responsibility for administering the distribution of PPE to Opticians/Dentists, GP surgeries, care providers and NHS staff within East Lothian.</p> <p>It should be noted that the original development of the processes in April 2020 was completed at significant pace and utilised volunteer/redeployed staff from both NHS Lothian and East Lothian Council who were not normally involved in the administration of full time stock control. At this stage of the process there was also no clarity as to the length of time that these procedures would be required, as a result procedures were not prioritised over stock delivery.</p>	<b>Medium</b>	<b>1.1 Management should ensure that detailed procedures are in place going forward to provide clear guidance to staff responsible for administering the distribution of PPE.</b>

Management Response	Responsible Officer & Target Date
<p><b>1.1 Agreed – subject to clarity of what the national position/requirements is regarding local PPE hubs. When it is clear and confirmed that local PPE hub operations will be continuing procedures will be written and distributed. This will form part of a wider operational review locally as to what infrastructure the HSCP requires to support this moving forward. It should be noted the HSCP followed all national processes and requirements in full. The March 2022 target reflects time for trial operations to be reviewed prior to final decisions on hub operations.</b></p>	<p><b>1.1 Chief Finance Officer March 2022</b></p>



# 4 Detailed Recommendations

## Monitoring

Objective 4	Findings & Risk 1	Grade	Recommendation
	<p>We were informed that from April 2020 the East Lothian Community Hospital hub prepared daily stock returns to monitor the stock levels of PPE issued to NHS staff.</p> <p>We selected a sample of 10 daily NHS stock returns from 2020/21 and checked to ensure that the stock levels were being appropriately monitored. The following points were noted:</p> <ul style="list-style-type: none"> <li>➤ NHS teams could access the PPE stock by sending in a request which would be logged, the stock was subsequently issued and a record of the amount issued was maintained.</li> <li>➤ For the first day selected (15/04/2020), we found that the system was not up and running, while the return on 28/04/2020 did not balance. We were informed that there were problems with the system during the first few days.</li> <li>➤ For the remaining eight days reviewed, we found that in seven cases the balance carried forward reconciled to the previous day after adjusting for the stock issued. However in one case the balance didn't reconcile to the previous day, we found that the returns did not record the stock coming in from the NHS central hub, the returns only recorded the stock balance that morning and the quantities issued for the previous day. We note that the NHS template did not require a record of the quantities of stock received and reconciliations had not been undertaken between stock held and stock received as a result.</li> </ul>	<b>Medium</b>	<b>4.1 Management should ensure that the daily stock returns record the amount of PPE stock received from the NHS central hub to allow proper reconciliations to be undertaken.</b>

## Management Response

## Responsible Officer & Target Date

**4.1 Agreed – subject to clarity of what the national position/requirement is regarding local PPE hubs. The HSCP will require to follow any national processes and understand how this links with national systems and stock counts. If required the HSCP will introduce this as part of the new procedures. It should be noted the HSCP followed all national processes and requirements in full.**

**4.1 Chief Finance Officer  
March 2022**

# 4 Detailed Recommendations

## Delivery of Stock

Objective 5	Findings & Risk 1	Grade	Recommendations
	<p>We sought to establish if adequate arrangements were in place to ensure that PPE stock had been properly allocated during the pandemic to Opticians/Dentists, GP surgeries and care providers in East Lothian.</p> <p>We selected 10 deliveries for Opticians and Dentists in 2020/21 and checked to ensure the deliveries could be verified to the NHS central records, the following points were noted:</p> <ul style="list-style-type: none"> <li>➤ The ELHSCP were informed of the amounts to be delivered to individual Opticians and Dentists by the NHS central hub, however we were unable to verify the amounts delivered to the central records because the records had not been retained.</li> <li>➤ In three cases, the delivery note had been signed and dated by the recipient, however for the remaining seven cases the delivery note had not been signed. For these seven cases the date of delivery had not been recorded on the delivery note and there was no reference number recorded relating to the delivery from the central hub.</li> <li>➤ The ELHSCP were unable to provide the full population of deliveries for Opticians and Dentists because they did not maintain full records of all deliveries issued for the year and had to contact the NHS central hub to try and establish how many deliveries had been issued in 2020/21.</li> </ul> <p>We selected three days where PPE stock had been delivered to GP surgeries in 2020/21 and checked to ensure the stock had been fairly allocated. The following points were noted:</p> <ul style="list-style-type: none"> <li>➤ We found that the ELHSCP did not maintain any records of the stock delivered from the NHS central hub for GP surgeries. We were informed that in some instances they did not receive documentation from the central hub and for instances where confirmation had been received the details had not been retained.</li> <li>➤ The stock had been allocated based on the list size of the number of patients registered with the GP surgery as at January 2020.</li> <li>➤ For the sample of GP delivery notes examined, we found that the dates of delivery had been entered prior to deliveries being made, however the delivery notes had not been signed by the recipient as they were following infection control and prevention guidance.</li> </ul>	<p><b>Medium</b></p>	<p><b>5.1 Management should ensure that adequate records are retained of PPE stock deliveries from the NHS central hub for Opticians/Dentists and GP surgeries.</b></p> <p><b>5.2 Management should ensure that the date of delivery and a reference number is recorded on the delivery note for cases where the recipient does not sign for the goods received.</b></p> <p><b>5.3 Management should ensure that the weekly stock order templates received from care providers are retained.</b></p>

# 4 Detailed Recommendations

## Delivery of Stock

Objective 5	Findings & Risk 1 (cont)	Grade	Recommendations
	<p>We were informed that care providers submitted a weekly template for their PPE stock orders and the hub subsequently issued the stock with a delivery note. We selected 10 care providers and requested the weekly template for 2 dates in 2020/21 along with the delivery notes. We found that:</p> <ul style="list-style-type: none"> <li>➤ records of stock deliveries from the NHS central hub had been maintained on a spreadsheet for care providers;</li> <li>➤ the original weekly order template from the care providers had not been retained by the hub, although on some delivery notes the amount of stock ordered had been recorded together with the amount delivered. We are unable to confirm that care providers had received the quantity of stock ordered, however delivery notes and hub computerised records were maintained of the amounts actually delivered;</li> <li>➤ in the majority of cases the recipient had signed for the goods received.</li> </ul>	<b>Medium</b>	

Management Response	Responsible Officer & Target Date
<p><b>5.1, 5.2 &amp; 5.3 Agreed – subject to clarity of what the national position/requirement is regarding local PPE hubs and that the HSCP will ensure that all working practices follow public health guidance. The HSCP will require to follow any national processes and understand how this links with national systems and records. If required to the HSCP will make these changes, it should be noted the HSCP followed all national processes and requirements in full.</b></p>	<p><b>5.1, 5.2 &amp; 5.3 Chief Finance Officer March 2022</b></p>

# Appendix A Recommendation Grading/Overall Opinion

Recommendation	Definition
<b>High</b>	Recommendations relating to factors fundamental to the success of the control objectives of the system. The weaknesses may give rise to significant financial loss/misstatement or failure of business processes.
<b>Medium</b>	Recommendations which will improve the efficiency and effectiveness of the existing controls.
<b>Low</b>	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.

Levels of Assurance	Definition
<b>Substantial Assurance</b>	There is a sound system of internal control designed and operating in a way that gives a reasonable likelihood that the objectives will be met.
<b>Reasonable Assurance</b>	Whilst there is a sound system of internal control, there are minor weaknesses, which may put some of the objectives at risk or there is evidence of non-compliance with some of the controls, which may put some of the objectives at risk.
<b>Moderate Assurance</b>	The system of internal control is broadly reliable, however there are a number of weaknesses, which put some of the objectives at risk or there is evidence that the level of non-compliance with controls put some of the objectives at risk.
<b>Limited Assurance</b>	Weaknesses in the system of internal control are such as to put the objectives at risk or the level of non-compliance puts the objectives at risk.
<b>No Assurance</b>	Control is generally weak leaving the system open to error or abuse, or there is significant non-compliance with basic controls, which leaves the system open to error or abuse.

## Appendix B Resource, acknowledgements & distribution list

Internal Audit	
Chief Internal Auditor: Duncan Stainbank	Senior Auditor: Andrew Steven

Review Dates	Completed By Date
Internal Audit Draft Report Submission	28 May 2021
Management Review Completion	31 May 2021
Final Report Issue	02 June 2021

Report Distribution	
Chief Officer East Lothian IJB	Chief Finance Officer East Lothian IJB
Audit & Risk Committee Members	Audit Scotland

### **Acknowledgements.**

The weaknesses identified during the course of our audit have been brought to the attention of Management. The weaknesses outlined are those, which have come to our attention during the course of our normal audit work and are not necessarily all of the weaknesses, which may exist.

Although we include a number of specific recommendations, it is the responsibility of Management to determine the extent of the internal control systems appropriate to the administration of PPE Stock Control within the East Lothian Health and Social Care Partnership.

The content of this report has been discussed with the Chief Finance Officer to confirm factual accuracy. The assistance and cooperation received during the course of our audit is gratefully acknowledged.

