

REPORT TO: Audit and Governance Committee

MEETING DATE: 17 March 2015

BY: Depute Chief Executive – Resources & People Services

SUBJECT: Internal Audit Report – Self-Directed Support

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of the recently issued audit report on Self-Directed Support.

2 RECOMMENDATION

- 2.1 That the Audit and Governance Committee note the contents of the Executive Summary and Action Plan.

3 BACKGROUND

- 3.1 A review of Self-Directed Support was undertaken as part of the audit plan for 2014/15.
- 3.2 The main objective of the audit was to ensure that the internal controls in place in respect of Self-Directed Support were operating effectively.
- 3.3 The main findings from our audit work are outlined in the attached report.

4 POLICY IMPLICATIONS

- 4.1 None

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well being of equalities groups and Equality Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

6.1 Financial - None

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 None

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EAST LOTHIAN COUNCIL – INTERNAL AUDIT SELF-DIRECTED SUPPORT

1. EXECUTIVE SUMMARY

1.1 Introduction

As part of the Audit Plan for 2014/15 a review was undertaken of Self-Directed Support. A summary of our main findings is outlined below.

1.2 Areas where Expected Controls were Met

- Progress has been made in implementing Self-Directed Support (SDS) for certain community care client groups within Adult Wellbeing.
- A resource allocation matrix has been developed and is in place – the matrix is an integral part of the assessment process and provides an indicative budget to support a client's assessed needs.
- An SDS Support Plan is in place clearly setting out each individual's assessed needs, the outcomes to be achieved and their actual personal budget.

1.3 Areas with Scope for Improvement

- An overarching Policy for Self-Directed Support has yet to be developed – the draft policies in place for option 1 (Direct Payments) and option 2 (where the client chooses their care, but the Council or another agency organises and pays for it) have yet to be formalised. *Risk – failure to adopt a consistent approach.*
- In some cases, no Letters of Agreement were on file for clients who had selected the direct payments option. *Risk – lack of clarity on the responsibilities and duties of the Council and the individual.*
- There was a lack of effective financial monitoring and review of clients in receipt of direct payments to ensure that funds were being used to achieve the agreed outcomes as set out in their Support Plan. *Risk – overpayments may occur and remain undetected.*
- In some cases, there was a lack of evidence to confirm if a risk enablement form had been completed to assess the supported person's ability to manage direct payments. *Risk – direct payments may be approved for clients who are unable to meet their responsibilities.*
- The arrangements for monitoring and reviewing clients whose personal budget exceeds their indicative budget require review. *Risk – failure to ensure that all exceptional cases are being reviewed.*

1.4 Summary

Our review of Self-Directed Support identified a number of areas with scope for improvement. Detailed findings and recommendations are contained in our main audit report.

Mala Garden
Internal Audit Manager

March 2015

ACTION PLAN

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.1.1	Management should ensure that the draft policies in place for options 1 and 2 are embedded in an overall Policy on Self-Directed Support, which should be formalised.	Medium	Service Manager – Operations	Agreed		September 2015
3.2.2	Management should develop a detailed plan clearly setting out how Self-Directed Support will be rolled out to all relevant community care clients. Management should ensure that progress on the implementation of Self-Directed Support is monitored and reported on a regular basis.	Medium	Service Manager – Operations	Agreed		June 2015
3.3.2	Management should ensure that evidence is held on file to confirm that clients have been provided with details of their indicative budget.	Medium	Service Manager – Operations	Agreed		April 2015
3.4.1	Management should ensure that a consistent approach is taken by all staff to the completion of the Support Plan.	Medium	Service Manager – Operations	Agreed – exceptions will be considered on a case by case basis		April 2015

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.4.2	<p>Management should ensure that there is clear evidence of all SDS Support Plans being authorised.</p> <p>Management should review all cases where the personal budget exceeds the indicative budget – for long standing service users with generous budgets Management should seek to realign these to the current indicative budgets.</p> <p>Management should ensure that all personal budgets that exceed the indicative budget are authorised by a Senior Manager.</p>	Medium	Service Manager – Operations	Agreed		Ongoing
3.5.1	Management should ensure that a risk enablement form has been completed for all clients who have selected the direct payments option.	High	Service Manager – Operations	Agreed		June 2015
3.6.1	Management should ensure that a signed Letter of Agreement is in place for all clients who have selected the direct payments option.	High	Service Manager – Operations	Agreed		June 2015

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.7.1	Management should ensure that annual financial assessments are carried out for all community care clients.	Medium	Service Manager – Operations	Agreed		March 2016
3.8.1	<p>As a matter of urgency Management should review all direct payments that have been identified as high risk. Where under spends are identified and clients have not fully utilised their personal budgets Management should ensure that excess payments are returned to the Council and/or payments are suspended.</p> <p>Appropriate financial monitoring should be put in place to ensure that all clients return their financial information timeously and that effective monitoring is undertaken.</p> <p>Management should review the procedures in place to ensure that information obtained as part of the SDS review is passed to the officer responsible for monitoring direct payments, to enable appropriate action to be taken.</p>	High	Service Manager – Operations	Agreed		June 2015

Grading of Recommendations

In order to assist Management in using our reports, we categorise our recommendations according to their level of priority as follows:

Level	Definition
High	Recommendations which are fundamental to the system and upon which Management should take immediate action.
Medium	Recommendations which will improve the efficiency and effectiveness of the existing controls.
Low	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.