



Internal Audit Report
Housing and Community Care
Self-Directed Support
Assignment No 15-22
March 2016

Final Report

Finance Division
Corporate and Democratic Services
Perth & Kinross Council
Blackfriars Development Centre
North Port
Perth PH1 5LU

Internal Audit

“Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”. Public Sector Internal Auditing Standards (PSIAS)

On 27th March 2013, the Council’s Audit Committee approved the PSIAS as the relevant standard for its Internal Audit activity.

Background and Introduction

This audit was carried out as part of the audit plan for 2015/16, which was approved by the Audit Committee on 1 April 2015. Audit testing was carried out in November 2015 to January 2016.

The indicative scope was to ensure that arrangements are in place for the management of Self-Directed Support.

Self-Directed Support (SDS) is a term that describes the ways in which individuals and families can have informed choice about the way support is provided to them. It includes a range of options for exercising those choices. Through a co-production approach to agreeing individual outcomes, options are considered for ways in which available resources can be used so people can have greater levels of control over how their support needs are met, and by whom.

The choice may include taking a direct payment, which is known as Option 1. This option is where an individual has a direct payment managed by a third party, directing the individual budget to arrange support from the local authority or from a commissioned provider. The choice can also be a combination of both.

As at January 2016 the Service Business Management & Improvement Plan indicated that 90% of SDS users access Option 3 where the support is arranged by the Council, and provided either directly by Council staff or by someone else on behalf of the Council. The remaining SDS options are Option 2 where an individual still chooses what support they want and how it will be provided, but the Council manages this for the individual and Option 4 which is a combination of the other options.

Under the Self-Directed Support (Scotland) Act 2013, local authorities have new duties that require them to offer greater choice and control to people who they have assessed as eligible for support. These options can only be offered after an outcomes focused assessment has been completed in partnership with the individual person and, where relevant, their representatives.

Scope and Limitations

In order to arrive at an opinion on the achievement of the control objectives, the audit included interviews with staff from Housing and Community Care and a review of SDS documentation. The audit reviewed the relevant arrangements in place for implementing SDS within Perth and Kinross.

The audit did not evaluate the qualitative nature of the assessments which have been undertaken by social work professionals. Audit coverage in relation to SDS in Children’s Services is identified separately in the audit universe, therefore this audit

did not specifically focus on the range and level of services appropriate to a child's needs as per the Children (Scotland) Act 1995.

Control Objectives and Opinions

This section describes the purpose of the audit and summarises the results. A 'control objective' is a management objective that requires the maintenance of adequate and effective internal controls to ensure that it is achieved. Each control objective has been given a rating describing, on the basis of the audit work done, the actual strength of the internal controls found to be in place. Areas of good or poor practice are described where appropriate.

Control Objective: To ensure the appropriateness of the framework and the management of self-directed support and the implementation thereof.	
<p>Auditor's Comments:</p> <p>The Service Business Management Improvement Plans includes SDS measures which are reported to the Housing and Health Committee as part of the ongoing monitoring.</p> <p>Individuals that may require SDS are guided through the process via a variety of means such as during the assessment and review stages or via literature such as leaflets and external events.</p> <p>Training courses undertaken by staff in relation to SDS is captured through the Learning & Development training database.</p> <p>The Service is currently carrying out a self-evaluation of their SDS arrangements.</p> <p>Audit testing confirmed the appropriateness of the framework arrangements regarding the implementation of SDS and the management thereof. There is some scope as detailed below to enhance these arrangements.</p> <p>The Scheme of Administration states that the Housing and Health Committee has responsibility in respect of Adult Care for the Social Care (Self Directed Support (Scotland)) Act 2013. Testing confirmed that this Committee had been provided with information regarding the work undertaken to implement personalisation and to comply with the relevant legislation. Education and Children's Services have a role in relation to younger individuals covered by SDS legislation. However, the Scheme of Administration does not delegate responsibility for such individuals to any Committee.</p> <p>The Council doesn't have a specific SDS policy or strategy. However, the auditor noted that Housing and Health Committee reports have detailed the Council's arrangements for the management of SDS. The Service also advised that the SDS approach is encompassed in a variety of other strategies.</p> <p>Guidance and training documentation would benefit from a system of version control along with a review, for example to expand the eligibility criteria section.</p>	
Strength of Internal Controls:	Moderate

Internal Audit Report

<p>Control Objective: To ensure the adequacy of performance reporting and the process that reviews existing self-directed support outcomes.</p>	
<p>Auditor's Comments:</p> <p>The Service collates performance measures as part of their local internal dashboard performance information.</p> <p>An annual customer satisfaction survey is issued to a mix of clients and performance relating to achieving Outcome Focussed Assessments is detailed on the Service Business Management Improvement Plan.</p> <p>The Service has recently concluded an in house audit focused on evaluating service user's outcomes. The key recommendations from this will be encompassed into an action plan.</p> <p>The performance reporting and review of SDS outcomes would benefit from being formalised and reported to the Community Care Management Team and/or Senior Management Team prior to reporting to Housing and Health Committee.</p> <p>The Service performance measures will be replaced by the introduction of a specific performance dashboard which is being developed by the Service Business Improvement Team. In the meantime, the dashboard information would benefit from review and inclusion of a narrative or summary to make the information easier to contextualise.</p> <p>Service guidance requires that there is collaboration with the supported person to ensure that they can make an informed choice and therefore promotes individuals' choice and control. There is a lack of system notes which evidences an individual's agreement of their assessment which made it less easy for the Service to evidence performance in this regard.</p>	
Strength of Internal Controls:	Moderate

<p>Control Objective: To ensure the adequacy of financial reporting of Self-Directed Support.</p>	
<p>Auditor's Comments:</p> <p>Audit testing confirmed the adequacy of financial reporting of SDS as evidenced, for example, by the variance reporting to the Community Care Management Team and the budget monitoring role of the Strategic Policy & Resources Committee which helps ensure the adequacy of financial reporting of SDS.</p> <p>There are also processes in place to monitor spending against financial plans for those individuals who have opted for the direct payment option. For these cases information such as invoices and bank statements is supplied by individuals and records are checked and kept by the Service detailing how this money is spent.</p> <p>Individuals and/or families are informed of the amount of money spent on their care; this is a requirement of the Service SDS guidance. There is scope to review and update the financial authorisation levels section of this guidance.</p> <p>Service guidance requires the setting of a "workflow" note to be sent to the</p>	

Internal Audit Report

authorising person. Approximately 4% of cases had no workflow note recorded. This may affect the performance reporting.

The Individual Service Fund Enabling Agreement contains financial information and is required to be completed every time an Option 2 SDS package is arranged. Audit testing revealed scope to enhance controls over the retention of these agreements.

Strength of Internal Controls:

Moderate

Management Action and Follow-Up

Responsibility for the maintenance of adequate and effective internal controls rests with management.

Where the audit has identified areas where a response by management is required, these are listed in Appendix 1, along with an indication of the importance of each 'action point'. Appendix 2 describes these action points in more detail, and records the action plan that has been developed by management in response to each point.

It is management's responsibility to ensure that the action plan presented in this report is achievable and appropriate to the circumstances. Where a decision is taken not to act in response to this report, it is the responsibility of management to assess and accept the risks arising from non-implementation.

Achievement of the action plan is monitored through Internal Audit's 'follow up' arrangements.

Management should ensure that the relevant risk profiles are reviewed and updated where necessary to take account of the contents of Internal Audit reports. The completeness of risk profiles will be examined as part of Internal Audit's normal planned work.

Acknowledgements

Internal Audit acknowledges with thanks the co-operation of Housing and Community Care staff during this audit.

Feedback

Internal Audit welcomes feedback from management, in connection with this audit or with the Internal Audit service in general.

Distribution

This report will be distributed to:

B Malone, Chief Executive;

J Walker, Depute Chief Executive, HCC (Corporate and Community Development Services) and Chief Operating Officer;

J Gilruth, Director, Housing & Community Care;

B Atkinson, Director of Social Work;

D Fraser, Joint Head of Community Care;

C Johnston, Joint Head of Community Care;

Internal Audit Report

L Cameron, Head of Housing and Care Strategy;
A Taylor, Head of Finance & Support Services, HCC;
L Sinclair, Service Manager, Service Manager SDS and Learning and Development;
K Sharp, Service Manager, South Locality & Older People;
S Strathearn, Business Improvement Manager, Housing and Community Care;
N Copland, Business and Resources Manager;
J Symon, Head of Finance;
G Taylor, Head of Democratic Services;
K McNamara, Head of Strategic Commissioning and Organisational Development;
P Dickson, Complaints & Governance Officer;
External Audit

Authorisation

The auditor for this assignment was D McCreddie. The supervising auditor was M Morrison.

This report is authorised for issue:

Jacqueline Clark
Chief Internal Auditor
Date: 4 March 2016

Appendix 1: Summary of Action Points

No.	Action Point	Risk/Importance
1	Responsibility for SDS	High
2	Local SDS Policy/Strategy	Medium
3	SDS Eligibility Criteria	Low
4	Performance Dashboard	Low
5	In House Audit	Low
6	Self- Evaluation Exercise	Medium
7	Performance Information	Medium
8	SDS Guidance	Medium
9	Promoting Choice and Control	Medium
10	Individual Service Fund Enabling Agreements	High
11	Training Records	Medium

Appendix 2: Action Plan

Action Point 1 - Responsibility for SDS

The Scheme of Administration delegates the responsibility for adult care services including the Social Care Self Directed Support (Scotland) Act 2013 to the Housing and Health Committee, but the Scheme doesn't delegate any corresponding authority regarding children supported by this legislation to any Committee.

There is also scope to clarify the SDS help available to younger individuals for example, the role of Education and Children's Services. This information is not detailed on the Council website and the Council Personalisation and SDS webpage is accessed via a "help for adults" tab. The draft Joint Commissioning Strategy for Older People which refers to SDS is stated as being aimed at people over 65 years of age. The Service advised that this Strategy was in the process of being updated.

Management Action Plan

- 1) The Chief Social Work Officer will review the Scheme of Administration and recommend amendments be made to reflect the Social Care Self-Directed Support (Scotland) Act 2013 roles carried out by Education and Children's Services.
- 2) Dependant on the outcome of the above, the Council website will be updated to ensure that the SDS information is more accessible to people requiring services for Children and Young People. The response to the draft Joint Commissioning Strategy will ask for the reference to SDS to be changed to reflect its applicability to Children/Young People and all relevant adult client groups.

Importance:	High
Responsible Officer:	1) B Atkinson, Director of Social Work 2) D Fraser, Joint Head of Community Care
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	1) June 2016 2) September 2016
Required Evidence of Completion:	1) Recommendation that Scheme of Administration updated 2) Updated website page and request that Joint Commissioning Strategy reflects young people.

Auditor's Comments

Satisfactory

Action Point 2 - Local SDS Policy/Strategy

A Service evaluation paper regarding the implementation of SDS dated July 2013 states that the transformation will depend on a local policy regarding personalisation which reflects national strategy. The need to have a local policy/strategy is also referred to in an Audit Scotland report of June 2014 which states that all Councils should have a strategy for developing services in their area.

The Auditor noted that although the Council doesn't have a local SDS policy/strategy, Housing and Health Committee reports have detailed the Council's arrangements for the management of SDS.

The Service advised that the approach to SDS is encompassed in a variety of other strategies, and accepted that there was benefit in formally advising Committee as to how this responsibility was discharged.

Management Action Plan

The Service Manager SDS and Learning and Development will arrange for a future Housing and Health Committee paper to detail how the Council discharge its strategic responsibilities in relation to SDS.

Importance:	Medium
Responsible Officer:	L Sinclair, Service Manager SDS and Learning and Development
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	March 2016
Required Evidence of Completion:	Extract from report to Housing & Health Committee

Auditor's Comments

Satisfactory

Action Point 3 - SDS Eligibility Criteria

The eligibility criteria guidance notes state that the national eligibility criteria will be applied. The national criteria includes details of the assessment of outcomes as being critical, substantial, moderate or low risk. However, the Service dashboard and recording within the SWIFT system which reports performance states the eligibility criteria risks as very high, high, medium and low.

This eligibility criteria and associated training materials would also benefit from greater detail for example; to document and understand how the criteria are applied. One of three tested hyperlinks within the guidance contained a broken link.

Management Action Plan

The Personalisation and SDS materials on ERIC will be reviewed and the information regarding the eligibility criteria updated. The relevant definition will be standardised in line with the national criteria.

Importance:	Low
Responsible Officer:	L Sinclair, Service Manager SDS and Learning and Development
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	June 2016
Required Evidence of Completion:	Extract from updated materials on ERIC SDS page

Auditor's Comments

Satisfactory

Action Point 4 - Performance Dashboard

A March 2013 Housing and Health Committee report relating to SDS states that a performance framework had been developed on the basis of 14 factors. This framework was also referred to in reports to Committee in January and October 2014.

Audit testing revealed that the above framework had been replaced by 11 key performance indicators, but Committee had not been advised of this change.

Management Action Plan

The Service Manager SDS and Learning and Development will arrange for the next Housing and Health report that relates to SDS to refer to the use of a local dashboard and the development of more formalised service performance dashboard to ensure reporting remains appropriate and monitored effectively.

Importance:	Low
Responsible Officer:	L Sinclair, Service Manager SDS and Learning and Development.
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	March 2016
Required Evidence of Completion:	Extract from report to Housing & Health Committee

Auditor's Comments

Satisfactory

Action Point 5 - In House Audit

The Service recently concluded an in house audit which was focused on evaluating service user's outcomes and their ability to exercise greater choice and control as a result. At the date of audit testing, the findings from this audit were in the process of being reviewed. The Service advised that they will incorporate the areas identified for improvement into an action plan.

To ensure that the in house audit findings are addressed, the action plan should be monitored and reported at an appropriate level.

Management Action Plan

The Quality Assurance Manager has developed a SMART action plan which encompasses the findings from the Service in house SDS audit. This will be presented to the Community Care Management Team or Senior Management Team who will monitor this action plan.

Importance:	Low
Responsible Officer:	L Sinclair, Service Manager SDS and Learning and Development
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	February 2016
Required Evidence of Completion:	Action plan and extract from management team report

Auditor's Comments

Satisfactory

Action Point 6 - Self- Evaluation Exercise

The Service advised that they are in the process of carrying out a self-evaluation of their SDS arrangements which is based on a CIPFA framework.

The relevant CIPFA documentation recommends that an appropriate group of people involved in SDS undertakes the evaluation. The evaluation will provide an overview of key areas for action and will assist in prioritization. This may be of particular assistance to senior management.

The outcome of the self-evaluation exercise should be reported at a suitable level and if appropriate detail any actions planned as a result of the exercise.

Management Action Plan

The Joint Head of Community Care will arrange for the results of the CIPFA self-evaluation exercise to be overseen by the Quality Assurance Group as part of the Community Care Quality Performance Framework.

A Self-Evaluation Sub-Group will be set up with the Community Care Management Team and Senior Management Team being regularly updated by the Quality Assurance Group to ensure appropriate scrutiny and monitoring of the self-evaluation work and any resultant actions.

Importance:	Medium
Responsible Officer:	D Fraser, Joint Head of Community Care
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	February 2017
Required Evidence of Completion:	Extract from Management Report regarding the self-evaluation exercise

Auditor's Comments

Satisfactory

Action Point 7 - Performance Information

There is scope to formalise the SDS performance information reported to the Community Care Management Team and/or the Senior Management Team.

The Service collates 11 key performance measures as part of their local operational dashboard performance information. At the date of audit testing none of these performance measures had been agreed by or reported to either of the above bodies. There is also scope to review the appropriateness of the dashboard information by adding narratives and/or summaries to the information to help explain and contextualise this performance information.

The Service advised that the performance information will be superseded by the introduction of a Service specific performance dashboard which has been agreed by the Joint Heads of Community Care and is being developed by the Business Improvement Team.

Management Action Plan

The Service Manager SDS will liaise with the Business Improvement Team to review the SDS dashboard information to ensure that it is incorporated into the Community Care performance dashboard. A report will be sent to the Service Senior Management Team recommending adoption of revised key indicators.

The reporting of performance information to the Community Care Management Team and the Senior Management Team will thereafter be implemented.

Importance:	Medium
Responsible Officer:	S Strathearn, Business Improvement Manager.
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	June 2016
Required Evidence of Completion:	Extract from Performance report to SMT

Auditor's Comments

Satisfactory

Action Point 8 - SDS Guidance

The SDS guidance would benefit from review as evidenced by:

Authorisation levels are based on job titles for example, a Social Work Assistant /Occupational Therapist Assistant or equivalent. The use of the word equivalent may lead to misinterpretations and there is benefit in detailing all relevant job titles within each category. The guidance doesn't state if the authorisation levels relate to additional care being agreed at that time or the overall cost of a care package;

The Service advised that client reviews are carried out at a predetermined timeframe but these timeframes are not specifically stated in the guidance. The guidance doesn't specify where SDS assessments should be recorded or scanned; and

The guidance would also benefit from the use of a version control system which records for example, the amendments and the officer approving of such changes.

Furthermore, the guidance requires a "workflow" note to be sent to the authorising person. Testing revealed that 127 (approximately 4% of cases) had no workflow recorded with the oldest item dated April 2015. This may lead to a lack of clarity regarding the authorising officer and may affect performance reporting.

Management Action Plan

1) The Service Manager SDS and Learning and Development will arrange for the SDS guidance to be reviewed and updated to ensure it clarifies any areas highlighted by audit (such as job titles, workflow notes and review timeframes). The updated guidance will be approved by the Joint Heads of Community Care. A version control system will also be introduced for the guidance and training materials.

2) The SDS Service Manager will remind Team Leaders of the need to ensure that workflows are recorded; a validation report will assist in this regard.

Importance:	Medium
Responsible Officer:	L Sinclair, Service Manager SDS and Learning and Development
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	1) March 2016 and 2) April 2016
Required Evidence of Completion:	1) Updated SDS guidance and version control system. 2) Evidence of an actioned workflow validation report for post Nov 15 cases.

Auditor's Comments

Satisfactory

Action Point 9 - Promoting Choice and Control

The promotion of choice and control is a requirement of Service guidance.

There is scope to improve the recording of the assessment and agreement of an individual's support package. This will help to evidence the promotion of choice and control. Testing of 12 cases revealed a lack of information on SWIFT for 11 of these cases.

The Service advised that the promotion of choice and control would have been discussed, but accepted that there is scope to enhance the electronic information recorded.

Management Action Plan

- 1) Service Managers will email Team Leaders within localities to reinforce the importance of accurate recording of agreement around the assessment and personal outcomes plan.
- 2) The Business Improvement Manager will arrange for the General Outcome Focussed Assessment (GOFA) which is recorded on SWIFT to be updated to include a section that evidences the assessment and the recommendation. This update will be reliant on a system change.

Importance:	Medium
Responsible Officer:	1) L Sinclair, Service Manager SDS and Learning and Development 2) S Strathearn, Business Improvement Manager.
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	1) March 2016 2) March 2017
Required Evidence of Completion:	1) Email to Team Leaders 2) Updated GOFA

Auditor's Comments

Satisfactory

Action Point 10 - Individual Service Fund Enabling Agreements

Service guidance requires an Individual Service Fund Enabling Agreement (ISFA) to be completed every time an Option 2 package is arranged with an external provider.

Audit testing of 4 randomly selected Option 2 cases revealed that no ISFA notes were detailed on SWIFT, nor were any hard copy ISFAs traced by the Service.

The above results are similar to that from an in-house audit carried out by the Service in November 2014.

Management Action Plan

1) The Team Leader - Commissioning & Contracting will liaise as appropriate to agree and write a procedure to be followed regarding the retention and storing of Individual Service Fund Enabling Agreements.

2) The procedure introduced will include a monitoring routine which checks that ISFAs are held. Monitoring of ISFAs will be undertaken initially by the SDS team but in the future by Commissioning and Contracting Team.

Importance:	High
Responsible Officer:	G Peters, Team Leader Commissioning and Contracting.
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	1) April 2016 2) August 2016
Required Evidence of Completion:	1) Extract from agreed procedures detailing the retention of ISFA's. 2) Evidence of monitoring

Auditor's Comments

Satisfactory

Action Point 11 - Training Records

The Service maintains records of training sessions to help evidence that SDS training is up to date.

At the date of audit testing, there was no specific process to cross check actual attendees at relevant training session to lists of required attendees. The lack of such checks may mean that required attendees do not undertake the required training. The Service advised that this was in hand and awaiting IT input.

Whilst the Auditor appreciates that attendance at SDS training sessions is part of the wider evaluation framework there is benefit in ensuring that such cross checking of attendees by management takes place.

Also, a performance measure is “achieving the appropriate level of competency per framework” but doesn’t define the term “appropriate.” The Service advised that this framework was in the final stages of completion.

Management Action Plan

The Team Leader, Learning & Development will oversee the routine which will cross check actual attendees at relevant training session to lists of required attendees.

The Learning & Development Framework including key definitions will be completed.

Importance:	Medium
Responsible Officer:	V Nelson, Team Leader Learning and Development
Lead Service:	Housing and Community Care
Date for Completion (Month / Year):	Complete
Required Evidence of Completion:	Not applicable

Auditor’s Comments

Satisfactory

