

**Manchester City Council
Report for Information**

Report to: Audit Committee - 22 March 2018

Subject: Risk Review Item: Adults Assurance Update

Report of: Executive Director for Strategic Commissioning and Director of Adult Social Care Services (DASS)

Summary

During 2017/18 the Internal Audit programme included audits across adults services' activities and four of these audits resulted in limited assurance opinions. As requested by Audit Committee this report summarises the issues from these audits and assurance over current and planned actions to address issues raised.

Recommendations

Members are requested to consider and comment on the assurance provided in response to the limited assurance opinions.

Wards Affected:

All

Contact Officers:

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Background documents (available for public inspection):

Documents used in the development of the report include:

- Internal Audit Quarterly Assurance progress reports 2017/18 to Audit Committee

1. Introduction

1.1. During 2017/18 the Council's Internal Audit Service issued reports in four areas relating to adult services with limited assurance opinions:

- Transition: Children to Adults
- Disability supported accommodation services, Quality Assurance
- Homecare Contracts
- Client Financial Services

1.2. In line with the Audit Escalation and Risk Review Process approved at Audit Committee on 25 January this report provides an assurance update on actions being taken to address risks in these areas.

1.3. The key issues raised from the four audit reports and an update on actions being taken in response to these are set out in sections 2-5 below. Section 6 confirms the overall approach to governance of risk and issues in the directorate to provide Committee with assurance over arrangements in place to track and implement agreed actions.

2. Client Financial Services (CFS) - Cash Handling

2.1. This report was issued as final on 22 December 2017. Limited assurance was provided over the effectiveness of system in place where Appointee Support Officers are dealing with customers' cash and the Council act as an Appointee/Deputy. In particular:

- No job descriptions were in place for the ASO role increasing the risk of customers misunderstanding services and potentially overstepping role boundaries.
- Wider roles and responsibilities were not described, leaving gaps in the control framework and a lack of oversight of compliance.
- CFS had created a basic list of 'Do's and Don'ts' for the ASOs to follow in respect of the cash delivery responsibilities, rather than robust policy and procedures.
- Officer remit had evolved informally over time to include an element of a 'watching brief' over the welfare of customers and to raise any concerns with Social Workers if felt appropriate.
- No arrangements for CFS to seek assurance over compliance with the cash delivery. The safety of the ASO officers was not checked through the day, as required in the Council's Health and Safety policy.

2.2. In response to this audit immediate action was taken to complete a Job Evaluation Proforma which was submitted to and approved by HROD. From this a new Role Profile was created for the ASO role and job grading was confirmed. Guidance on the types of tasks that the ASOs can be asked to carry out has been devised and issued.

- 2.3. Representatives from CFS and the wider Payments Team within Finance have been included on a working group established by the Strategic Lead – Adult Social Care Locality & Citywide Services regarding the proposed roll out of pre-paid cards so that the team are engaged in the development process and this will aid understanding of arrangements to avoid the role confusion noted in the audit report.
- 2.4. Improved governance is being developed and is in the process of finalisation. This is being designed to ensure the Directorate Finance Lead gains regular assurance from the Business Support Locality Leads over local cash handling activity and that monies are being evidenced as received by customers. Improved, consistent forms and arrangements have been developed and a process of quality assurance has been rolled out by CFS and the Strategic Lead – Adult Social Care Locality & Citywide Services including spot checks to ensure compliance with cash handling procedures. In addition a performance management framework will be devised and shared with Internal Audit, taking account of the recommendations identified in the report. This is likely to be completed in April 2018.
- 2.5. To improve arrangements new processes have been implemented which include confirmation of planned movements provided by the ASOs to the Business Support Locality Manager so that management are aware of the proposed visits to be undertaken by the ASOs. The ASOs start and end their day at an office base and undertake visits together, with new routes and plans to minimise the overall duration and cost of journeys. The ASOs now vary the times they withdraw cash and the machines they use so as to avoid reparative, predictable behaviours that could increase risks to safety and security. Further discussions are taking place with the bank to assess further options to safely and secure sums of money.
- 2.6. An example was noted in the audit where social workers had handled personal monies on behalf of citizens where the Council was not an appointee. This practice had evolved over time but was not appropriate as it did not offer the required level of oversight from CFS. ASOs have now been told that they can only carry out transactions for citizens for whom the Council are appointee and instruction has been issued to each social work locality office to confirm that such informal arrangements are not permitted.
- 2.7. A meeting is being arranged in April as Legal Services were asked to provide an opinion over the appropriateness of the cash delivery arrangements to third parties. Legal have advised that they can find no legal basis for these arrangements. As appointees, it is MCC's duty to manage the finances in the best interests of the client. Legal Services cannot see any kind of 'third party agreement' that will relieve MCC of this duty, and as such any liability, should the money then not be used for the intended purposes.
- 2.8. Given the immediate actions taken in response to issues raised in this report the risks raised in the audit report have been largely addressed. Ongoing monitoring will continue to ensure that compliance with the new arrangements is maintained and this improvement is sustained.

3. Disability Supported Accommodation Services, Quality Assurance

- 3.1. This report was issued as final on 14 February 2018. It provided limited assurance that the Quality Assurance Framework was operating effectively and in accordance with expectations to support delivery in line with legislation. The main issues preventing a higher assurance opinion from Internal Audit at this stage were:
- The overall completion rate for the year was around 40% of audits issued to staff.
 - The audit tool coverage was too broad and did not provide management with the best available evidence to confirm compliance with the Care Act.
 - Follow up processes were insufficient to confirm improvement actions had been implemented or how they informed lessons learned.
 - The wider improvement arrangements described in the Framework were not in place, including moderation, which has impacted its effectiveness.
- 3.2. Given the need for a full review and revision of the framework, the report made two recommendations. The first was for management to consider which key areas of the Care Act registered managers and support coordinators should provide assurance over for all citizens in their properties; and for senior management to consider integrating oversight of the Supported Living QA process into the role of the Adults QA team and revise the content of the Framework.
- 3.3. Having considered the report the decision was taken to retain a separate QA process but draw on the expertise of the wider Adults QA team in the redesign of the framework. As such actions in the first recommendation were fully accepted and a plan of activity was agreed. This includes development of a central register of details of residents; staff and properties and workshops with staff and stakeholders to review and propose any desired changes to the QA Framework; Audit Tool; and Guidance Documentation. These workshops are planned to be delivered through March and April 2018 with key actions and implementation timescales to be signed off by end of April. This will include identification of any additional requirements including training, development and any resource requirements. The implementation of all changes is planned for completion by August 2018. Oversight of plan implementation and ongoing arrangements will be provided through the Adults Quality Assurance and Performance Board.

4. Transitions

- 4.1. A report on the process of transition was finalised on 15 February 2018. This provided limited assurance that effective arrangements were in place to support young people transitioning from Children's to Adults' Services.
- 4.2. Service management had identified that there were issues with some of the processes in relation to transitions and had commissioned a project manager to help identify where improvements could be made, the outcomes of which fed into a work stream development report. However, due to the volume of work the team were dealing with, the implementation of actions identified

had not been followed through. This was reflected in the audit findings which were as follows:

- Action was needed to confirm the vision and strategy for delivery of transition responsibilities and to develop and then to share a transition offer and plan for delivery.
- Governance arrangements should be revised to support delivery of the vision and strategy once agreed.
- Action should also be taken to confirm key roles and responsibilities as well as establishing policy and procedure for the delivery of the transitions offer once it has been developed.

4.3. The recommendations were all accepted with key actions being the development of a new Transitions Strategy and vision and the membership of the Transitions Board and terms of reference to be reviewed by the end of June 2018. Following agreement of the strategy an Operational Plan will be developed for delivering the revised transitions offer by October 2018. The delivery of this work is being led by the Deputy Director and Strategic Lead and will engage colleagues from other services, in particular across Children's Services, and other partner organisations to ensure that the revised offer supports an effective transition from children's to adults. We could add in here that an initial workshop was completed in February led by the Deputy Director and the Deputy Director of Children's Services with a view to seeking the opinions and input of city council and partner staff with key roles in transitions to inform development of the strategy and vision.

4.4. Whilst this report did raise issues that need to be addressed it was reassuring that Internal Audit were able to confirm that there was evidence of regular and timely engagement with and management of cases which were complex or entered a crisis state, showing the responsiveness and positive work being completed by the Transitions Planning Team.

5. Homecare Contracts

5.1. The limited assurance report on homecare contract governance was finalised on 7 March 2018. This was an area where a need for improvement had been acknowledged by service management and the audit assessment has helped focus improvement actions based on the following key issues:

- Level of scrutiny and payment to providers on and off framework was not always equitable.
- Not all suppliers were being monitored as required and monitoring focuses on organisations' records and not quality of care.
- Volumes of payments going through the manual system mean that levels of validation checks are less than audit would expect.
- Full reporting of variances between commissioned and invoiced hours did not take place.

5.2. The service is planning to perform a full homecare tender exercise during 2018, for award at the end of the year. An interim review of the

commissioning plan will be completed by the end of May 2018 with a tender exercise to complete in October 2018. This will incorporate the monitoring requirements noted in the audit report.

- 5.3. To improve overall assurance and monitoring arrangements, the team is working in partnership as part of Manchester Health and Care Commissioning (“MHCC”). The intention through MHCC is to pilot new ways of quality assurance with some providers from April 2018 and this will inform the approach to monitoring across all homecare contracts.
- 5.4. Annual checks will also be undertaken on Individual Service Fund (ISF) homecare services, where the citizens select and arrange their own provision and were not part of Council commissioned services. These checks will include key requirements including registration and insurance and will commence in April 2018.
- 5.5. Financial control and review will be further developed through the introduction of additional reporting of variances, decision making processes and recording of underpayments overseen by the Head of Adults Finance in conjunction with the Head of Social Care and Commissioning Manager. This will build on existing controls and will be revisited as part of the retender due to complete in October 2018.

6. Directorate Governance and Assurance Arrangements

- 6.1. The reporting of progress in implementation of audit recommendations is overseen by the Adults Quality Assurance and Performance Board and onward reporting to Adults DMT and Senior Management Team.
- 6.2. A Health and Social Care Commissioning Group has also been established that has oversight over performance and quality of commissioned activity as well as finance and service developments. This has a wide membership across Council relevant services and health partners and includes the Lead Member.
- 6.3. Whilst these reports have identified issues of concern, a number of immediate actions have been taken to reduce risks and actions are planned where issues require greater investment of time and resources. Governance arrangements will continue to provide assurance over progress as deadlines for implementation fall due.

7. Recommendation

- 7.1. Members are requested to consider and comment on the assurance provided in response to the limited assurance opinions.