

**REPORT TO THE ABERDEENSHIRE INTEGRATION JOINT BOARD  
AUDIT COMMITTEE – 25 FEBRUARY 2019**

**INTERNAL AUDIT REPORTS**

**1. Recommendation**

**1.1 The Committee is requested to review, discuss and comment on the issues raised within this report.**

**2. Discussion**

2.1 This report advises the Committee of a completed audit relating to the Integration Joint Board (para 3.1, below). Appropriate officers agreed the factual accuracy of the Internal Audit report prior to issue and action has been agreed to address the issues identified.

2.2 It was agreed by Aberdeenshire Council's Scrutiny and Audit Committee on 22 September 2016 that outputs from audits relating to Adult Social Care Services in the Council would be reported, for information, to the IJB Audit Committee. This report also contains the summary of such a report, as reported to the Council's Audit Committee on 13 December 2018 (para 3.2, below).

2.3 The Chief Finance Officer and Legal Monitoring Officer within Business Services of the Council have been consulted in the preparation of this report and any comments made have been incorporated within the report and they are satisfied that the report complies with relevant legislation.

**3. Internal Audit Reports**

**3.1 Risk Management Process (Internal Audit Report 1931 – February 2019)**

3.1.1 Risk management is the process by which risk is identified, evaluated and prioritised followed by the implementation of resources to manage, control and mitigate risks where possible. The overall aim of risk management is to reduce the frequency of risk events occurring and to minimise the impact of them when they do occur.

3.1.2 The operations of the Integration Joint Board (IJB) and the Aberdeenshire Health and Social Care Partnership (H&SCP) it oversees, inherently expose the organisation to risks which cannot be avoided. Risk management can be used as a means of minimising the cost and disruption to the IJB and its partner organisations, NHS Grampian and Aberdeenshire Council, when undesirable events occur.

- 3.1.3 The objective of this audit was to ensure that the IJB's risk management procedures are robust and being complied with.
- 3.1.4 To date, although drafted in advance of integration, no formal policy or procedures for risk management had been approved for use by the IJB. This has resulted in inconsistent practice in respect of risk recording, management and reporting at an operational level. Due to the cross-sector nature of the IJB it is difficult for the Service to implement a policy in isolation, therefore, the Service has agreed to implement the originally drafted policy from 2016 while work led by Aberdeen City H&SCP, progresses to review this. Procedures will be developed to support this. While this takes place, the Service has agreed that any conflicts arising from use of the policies and procedures of the parent organisations will be dealt with by the Partnership Managers and Strategic Management Team.
- 3.1.5 A corporate level risk register is in place for the IJB that is reviewed and managed through the use of online software, shared across the Partnership. The Service is still rolling out elements of this system, prioritising the roll out and training in regard to the risk register function for Partnership Managers and their support staff.

### **3.2 Social Work Financial Assessments (Internal Audit Report 1920 – November 2018)**

- 3.2.1 Under Social Work legislation there is an option for the Council to charge adult users of Non- Residential social services for services provided. These services include care and support, housing support, warden charges, community alarms and day care. A charging policy is in operation, based on the ability of the service user to pay, as determined by a financial assessment of their income, capital and specified outgoings, completed by a dedicated Support Team within Social Work.
- 3.2.2 Similarly, service users who require full time residential care are assessed on their ability to pay (typically weekly Care Home fees) through an examination of their weekly income and any capital held, which can also include ownership of property.
- 3.2.3 The objective of this audit was to consider whether adequate arrangements are in place across the Service to undertake financial assessments in an accurate and efficient manner and that supporting written guidance was in place to assist employees.
- 3.2.4 Improvements to written procedures have been recommended, and agreed with the Service, in respect of: obtaining bank statements where necessary to confirm relevant income and outgoings, recording that original documentation has been sighted before accepting copies, ensuring clear workings and supporting evidence are retained, developing guidance on deferred payments, recording residential status and home commitments, and reflecting changes to data protection regulations in procedures and forms.

- 3.2.5 The most efficient method of determining a client's benefit entitlement is via a Department for Work and Pensions (DWP) secure portal which would give details of current amounts being received. The Service does not currently have access to this for residential assessments, and in some cases has estimated the benefit entitlement and used these figures, the calculation of which was not always well-evidenced, in the financial assessment. Current benefit payments can be obtained by asking the client to complete a consent form allowing the DWP to share information or by looking at amounts received on current bank statements. The Service has confirmed that staff will be reminded to treat assessments as interim until actual benefits received have been confirmed.
- 3.2.6 Assessments are subject to an annual desktop review, which includes uprating of benefits rates, application of an assumed percentage increase to pensions, and an assumption that capital values have not changed. Although letters are sent to service users to request an update if circumstances have changed, this means the Service is reliant upon the client or their representative disclosing all changes in financial circumstances. Internal Audit recommended detailed periodic review of a sample to determine whether the assumptions hold true. The Service has considered the risk and decided not to introduce additional checks.

#### **4. Implications and Risk**

- 4.1 An equality impact assessment is not required because the reason for this report is for Committee to discuss and comment on the findings of Internal Audit work and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 4.2 There are no staffing or financial implications arising directly from this report other than those implicit in the tightening of internal controls recommended in the Internal Audit reports.
- 4.3 The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are detailed in the resultant Internal Audit reports. Recommendations are made to address the identified risks and Internal Audit follows up progress with implementing those that are agreed with management.

#### **CHIEF INTERNAL AUDITOR**

Report prepared by David Hughes, Chief Internal Auditor.  
18 February 2019.

