

FINAL INTERNAL AUDIT REPORT
EDUCATION, CARE & HEALTH DEPARTMENT

FOLLOW UP AUDIT OF TRANSITION TEAM FOR 2015-6

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INTRODUCTION

1. This report sets out the results of our follow up audit of the Transition Team for 2015-16. The audit was carried out in quarter 3 as part of the programmed work specified within the 2015-16 Internal Audit Plan, agreed by the Section 151 Officer and Audit Sub Committee.
2. The controls we expect to see in place are designed to minimise the department's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be corrected to assist overall effective operations.
3. Since the last audit, there has been a change in management. An Interim Manager is in post and the recommendations are in the process of being actioned.

AUDIT SCOPE

4. This follow up review concentrated on the progress of implementation of the previous audit recommendations made with the 2014-15 report issued on March 9th 2015.

MANAGEMENT SUMMARY

5. From the previous review, seven recommendations were made of which there was 1 priority one recommendation and 6 priority two recommendations. It was found that out of the seven recommendations made, 5 were found to be outstanding including the priority 1 recommendation.
6. Service agreements were found to not have been authorised in a timely manner resulting in losses of income in client contributions.

SIGNIFICANT FINDINGS (PRIORITY 1)

7. During the original audit, cases were highlighted; a number of cases were found to have been in overpayment and underpayment. These were still in the process of being actioned at the time of the follow up.

DETAILED FINDINGS/MANAGEMENT ACTION PLAN

8. The findings of this report, together with an assessment of the risk associated with any control weaknesses identified, are detailed in Appendix A. Any recommendations to management are raised and prioritized at Appendix B.

ACKNOWLEDGEMENT

9. Internal Audit would like to thank all staff contacted during this review for their help and co-operation.

Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
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APPENDIX A

<p>1. <u>Overpayment for supported living placement</u> It should be confirmed whether these service agreements are valid as it appears that duplication exists within the service agreements. These monies should be recovered from the provider if applicable.</p>	<p>The service lines have been reviewed and discussed with the allocated worker. It has been determined that there is no duplication and the supplementary service lines are paid by invoice to reflect variations in care across term and vacation times. Copies of sample invoices have been forwarded to internal audit to verify that these service lines are paid by invoice not stream.</p> <p><i>Internal Audit Comment</i> <i>Testing will be undertaken to verify management comments during the follow up process.</i></p>	<p>Completed</p>	<p>2</p>	<p>Joint Team Manager/Deputy Team Manager</p>	<p>Finance has provided confirmation that there is no duplication and therefore no overpayment made.</p>	<p>Implemented</p>
<p>2. <u>Duplicated Payment Period</u> The service lines should be reviewed and it should be determined whether there is duplication within the</p>	<p>The first service agreement was set up for a service at a Day Centre starting the 19/08/13 and end dated for the 17/08/13. This was for support at the day centre</p>	<p>Completed</p>	<p>2</p>	<p>Joint Team Manager/Deputy Team Manager</p>	<p>A duplicated payment period was found in relation to Sample 9. One service agreement commenced on 21/10/13 and ended on 19/10/14 at a weekly cost of £70.95 to provide 3 days</p>	<p>Outstanding.</p>

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<p>payment periods. Monies should be recouped in relation to this possible duplicated service agreement as applicable.</p>	<p>3 days a week. Two months into this package additional support (making the package 2/1) was required due to a breakdown in the clients mental health. Please see panel paper showing the need for additional support (in Carestore for Oct 13). An additional service agreement was put in place starting the 21/10/13 and ending on the 19/10/14. As the first service agreement ended on the 17/08/14 another service agreement was put in place as a continuation and started on the 18/08/14 and is currently end dated for the 16/08/15. The client started an alternative college and settled down so well that their challenging behaviour started to reduce. It was therefore not necessary for the additional 1/1 support package ending on the 19/10/14 to</p>				<p>support during the 14 week holiday period via a direct payment A second service agreement commenced on 18/8/14 to 16/8/15 for £70.95 again to provide 3 days support during the 14 week holiday period via a direct payment. It seems that there is a duplicated payment period between 18/8/14 and 19/10/14 at £70.95 = £567.60. Finance have suggested that the service investigate this possible duplication and contact the provider and if required claw back any overpayment.</p>	

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	<p>continue. There has therefore been no overpayment regarding this service user. Internal Audit Comment <i>Testing will be undertaken to verify management comments during the follow up process.</i></p>					
<p>3. <u>Service agreements not authorised in a timely manner</u> Service agreements should be set up within CareFirst (with all supporting documentation already in place) and authorised within a timely manner, enabling payment for associated services to be made in respect of the individual client.</p>	<p>Internal Audit Comment <i>No comments provided in respect of these two cases.</i></p>		2	Joint Team Manager	<p>Queries were raised in relation to new cases relating to five individual service agreements that had not been authorised in a timely manner.</p> <p>Sample A– Service agreement for supported living commencing 29/4/2015 still not authorised until 15/10/15. This client makes a weekly contribution of £28.11 and cannot be backdated. Loss of income of approximately £680.</p> <p>Sample B – Service agreement for supported living commencing 14/9/15 still not authorised until 29/9/15. This client makes a contribution of £36.70 per</p>	Outstanding

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					<p>week and cannot be backdated.</p> <p>Sample C – Service agreement for supported living commencing 13/7/15 incomplete at the time of testing. The Group Manager advised that there were issues regarding this Ordinary Residence case. This client makes a contribution of £42.90 per week and cannot be backdated. Loss of £1072.50 to Dec 31st 2015.</p> <p>Sample D– Service agreement for residential care commencing 27/9/15 not authorised until 9/12/15. Contributions can be backdated as applicable.</p> <p>Sample E – This residential service agreement commencing 25/10/15 not authorised at the time of testing. Contributions can be backdated as applicable.</p>	

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<p>4. <u>Direct payment accounts</u> Monitoring information should be reviewed and balances in excess of eight weeks recovered in a timely manner. Monitoring information should be submitted as required.</p>	<p>Clients are permitted to have balances greater than 8 weeks if there is a valid reason. Sample 10 – P4208 - The client still had 5 invoices to pay totalling £4,793.50 Sample 13 – P6531 - The client was not contacted in error regarding the balance in the account. The client has now been contacted and the AP Manager has put in place additional checks to monitor this more closely. Sample 17 – P42973 - The Care Manager advised £3,143.00 could remain and £988.00 was returned. Re the next surplus the Care Manager agreed it could be used to for Young Epilepsy sessions. Sample 20 – P52058 - Tax and holiday pay was still due to be paid Sample 22 – P38286 – The excess of £4k was due to be used for holidays and had reduced</p>	<p>Completed.</p>	<p>2</p>	<p>Liberata</p>	<p>Clients are permitted to have balances greater than 8 weeks if there is a valid reason. Sample 10 – P4208 - The client still had 5 invoices to pay totalling £4,793.50 Sample 13 – P6531 - The client was not contacted in error regarding the balance in the account. The client has now been contacted and the AP Manager has put in place additional checks to monitor this more closely. Sample 17 – P42973 - The Care Manager advised £3,143.00 could remain and £988.00 was returned. Re the next surplus the Care Manager agreed it could be used to for Young Epilepsy sessions. Sample 20 – P52058 - Tax and holiday pay was still due to be paid Sample 22 – P38286 – The excess of £4k was due to be used for holidays and had reduced to £284.73 by the end of Sep 14.</p>	<p>Implemented.</p>

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	to £284.73 by the end of Sep 14.					
<p>5. <u>Direct payments in over or underpayment</u> Cases highlighted should be reviewed and service agreements and rates updated accordingly. Any overpayments should be recovered.</p>	<p>Sample 10, The old rate is shown. The service line will be amended. Underpayment has occurred Sample 24 We recognise that this is an error and that the full DP should be paid at a consistent rate. Remedial steps to be taken to ensure all both service lines reflect the higher rate. Underpayment has occurred. Sample 26 Further scrutiny reveals that an error was made in not converting the term time payment (38 week service) into a weekly average across a 52 week period. This resulted in the overpayment. Care Management to amend service lines. Sample 27 Same as</p>	End of March 15	1	Joint Team Manager /Deputy Team Manager	<p><u>Overpayment</u> For Sample 9, Finance have suggested that the service investigate this possible duplication and contact the provider.</p> <p>For Sample 26, it was confirmed that there had been an overpayment due to a miscalculation. The uplift also needed to be actioned. The service area needs to investigate this further and if necessary claw back monies. Sample 27, confirmation was provided that there had also been an overpayment and the need for the overpayment to be clawed back. The service area needs to investigate this further and if necessary claw back monies.</p> <p><u>Underpayment</u> For Sample 10, the service agreement commencing 5/5/14 £11.50 rate is used</p>	Outstanding.

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	<p>sample 26. Care Managers to be reminded of need to amend DP rates at the point of annual review.</p> <p>Internal Audit Comment <i>No response was provided for Sample 9 within the management comments. Testing will be undertaken to confirm implementation during the follow up process.</i></p>				instead of the £11.78 rate for a 38 week period to the end of January 2015 causing an underpayment of £57.41 The service needs to investigate this further. Sample 24, has two service agreements commencing 5/5/14. The service needs to investigate this further.	
<p>6. Panel Paper Documentation Panel papers should be readily available to confirm that service agreements are correct.</p>	<p>The Transition team has a process in place for the transfer of cases using the Carefirst H form. Good practice requires a transition case to be stable prior to transfer. In the event of disagreement between the manager of the Transition Team and the manager of the adults team, a decision is made by the joint team manager.</p>	Completed	2	Joint Team Manager /Deputy Team Manager	The Group Manager advised that these practice issues were being addressed, but details are yet to be confirmed.	Outstanding.
<p>7. Transfer of cases to</p>	<p>The Transition team has a process in place for the</p>	Completed	2	Joint Team Manager	The Group Manager advised that it is evident that this case	Outstanding

Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
<p>Adult Services Cases should transfer from the Transition Team, to adult services as appropriate.</p>	<p>transfer of cases using the Carefirst H form. Good practice requires a transition case to be stable prior to transfer. In the event of disagreement between the manager of the Transition Team and the manager of the adults team, a decision is made by the joint team manager.</p> <p><i>Internal Audit Comment</i> <i>No individual comments for samples provided.</i> <i>Testing will be undertaken to confirm implementation during the follow up process.</i></p>			/Deputy Team Manager	<p>did not transfer from Transition Team early but there is no specific reason for this delay on the system. Better practice is now being looked at so as to ensure effective and timely transfer of cases from Transition Team. No further update has been provided.</p>	

FOLLOW UP AUDIT OF TRANSITION TEAM FAMILY FOR 2015-16

APPENDIX B

Recommendation	Priority *Raised in Previous Audit	Risk	Management Comment	Responsibility	Agreed Timescale
<p><u>1.Overpayment for supported living placement</u> It should be confirmed whether these service agreements are valid as it appears that duplication exists within the service agreements. These monies should be recovered from the provider if applicable.</p>	<p>2*</p>	<p>Overpayments are not identified and clawed back.</p>	<p>Group Manager is to make contact with Contractor A, to discuss claw back and service provision.</p>	<p>Group Manager</p>	<p>31st August 2016</p>
<p><u>2. Service agreements not being authorised in a</u></p>	<p>2*</p>	<p>Inability to effectively undertake budget</p>	<p>There has been a change in process. The Group Manager to provide evidence in 4 weeks to Internal Audit.</p>	<p>Group Manager</p>	<p>31st July 2016</p>

<p><u>timely manner</u> Service agreements should be set up within CareFirst (with all supporting documentation already in place) and authorised within a timely manner, enabling payment for associated services to be made in respect of the individual client. Service agreements that have been set up in error should be corrected on the system and seek advice from the Carefirst support team as required.</p>		<p>monitoring.</p>	<p>There is now a more robust application of procedures.</p>		
<p>3. <u>Direct payments in over or underpayment</u> Cases highlighted should be reviewed and service agreements and rates updated accordingly. Any overpayments should be recovered.</p>	<p>1*</p>	<p>Loss of monies if direct payment is not clawed back.</p>	<p>Investigations are underway for all the cases mentioned.</p>	<p>Group Manager</p>	<p>31st July 2016</p>
<p>4.<u>Panel Paper Documentation</u> Panel papers should be</p>	<p>2*</p>	<p>Service agreements may not be appropriately</p>	<p>There is a new process due to be implemented within the next 2-3 months which should resolve this.</p>	<p>Project Lead</p>	<p>30th September 2016</p>

readily available to confirm that service agreements are correct.		authorised.			
5. <u>Transfer of cases to Adult Services</u> Cases should transfer from the Transition Team, to adult services as appropriate.	2*	Greater costs impacting on the CLDT budget.	All transition cases are now discussed with the Group Manager and Senior Practitioners. Processes are in place to look at efficiencies within the service to ensure that we are supporting only those that are most in need.	Group Manager	30 th September 2016

APPENDIX C

Priority 1
Required to address major weaknesses and should be implemented as soon as possible

Priority 2
Required to address issues which do not represent good practice

Priority 3
Identification of suggested areas for improvement