

FINAL INTERNAL AUDIT REPORT
EDUCATION, CARE & HEALTH DEPARTMENT

FOLLOW UP AUDIT OF EXTRA CARE HOUSING FOR NORTON COURT 2016-17

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INTRODUCTION

1. This report sets out the results of our follow up audit of the. The audit was carried out in quarter 3 as part of the programmed work specified within the 2016-17 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.

AUDIT SCOPE

3. This follow up review concentrated on the progress of implementation of the four previous audit recommendations made with the report issued on January 11th 2016.

MANAGEMENT SUMMARY

4. From the previous review, there were four recommendations made, one priority one and three priority two recommendations. A report was requested by the Auditor of all the planned and actual hours for each client in residence at Norton Court for the week ended 31/7/16. A random sample of 10 clients were selected for testing. It was found that for the Priority one finding which related to domiciliary care charges and accounts this remained outstanding.
5. Sample 1 had not been charged the correct hours for week ending 31/7/16. Planned hours for this service user were 5.75 hours and the actual hours received were 16.50 for the same week. Reviewing the statements, there have been no charges made for this week to date. It has been confirmed that a number of weeks have not been charged. This service user has a maximum client weekly contribution of £101.60.
 - Sample 8 had 13.5 planned hours detailed within the template but on Carefirst, the service users planned hours were recorded as 13.25. A new recommendation has been made in respect of this item
 - The three remaining recommendations were found to have been satisfactorily implemented.

SIGNIFICANT FINDINGS (PRIORITY 1)

6. Audit testing highlighted that for Sample 1, the service user had not been charged for potentially 8+ weeks for personal care, at a weekly contribution of £101.60. This has resulted in a loss of income of approximately £800. The contractor has been contacted in respect of possible errors made by them when inputting weekly charges. Therefore, this priority one recommendation remains outstanding.

DETAILED FINDINGS/MANAGEMENT ACTION PLAN

7. 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

8. 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
<p>1. <u>Domiciliary Care Charges & Accounts</u> Domiciliary care statements should reflect the actual care delivered within respective weeks. Care charges should reflect the actual care received on a weekly basis. Any increases or reductions in care should be reflected within the charges levied. Adjustments to the individual care accounts should be rectified without delay. The process for charging for care hours should be reviewed. It should be investigated how the credit balance arose in this Appointeeship case. Financial Assessments should be undertaken regularly. Confirmation should be provided to Internal Audit that there are no other similar cases that have fallen outside of the</p>	<p>All cases where incorrect hours were identified have been corrected. The officer responsible for making the errors has received additional training and the team have been reminded of the need to ensure the accuracy of their work.</p> <p>The procedure for uploading timesheets has been reviewed and amended to include an additional control.</p> <p>Checks will be carried out on a regular basis by the Client Unit to ensure the revised procedures are being followed and the correct hours are being charged.</p> <p>The credit on the client's domiciliary care account arose due to the charges for April and May 15 being paid twice. The A & D staff have been</p>	<p>Completed</p> <p>Completed</p> <p>Ongoing from 01/02/16.</p> <p>Completed.</p>	<p>1</p>	<p>Liberata Operations Manager, Financial Assessment Management and Appointeeship & Deputyship.</p> <p>Head of Exchequer Service</p> <p>Exchequer Finance Officer.</p> <p>Liberata Operations Manager, Financial Assessment Management and Appointeeship & Deputyship.</p>	<p>Audit testing revealed that in once case (Sample 1) out of the ten cases sampled for testing, personal care charges had not been made for 8+ weeks. The planned hours for this client were 5.75 but the actual hours were 16.50. This has resulted in a loss of income of approximately £800. Management advised that the contractor has been informed that any losses will have to be recovered from them.</p> <p>The auditor was provided with a copy of the new procedures and the details of the monitoring that has been carrying out.</p>	<p>Outstanding.</p>

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APPENDIX A

Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
<p>process. All financial assessments should be readily available and contribution levels evidenced.</p>	<p>reminded to ensure they pay the correct outstanding charges. As part of the April 2014 reviews, a financial assessment was returned however, it was not processed. A backdated assessment has been completed and the incorrect charges have been refunded to the client.</p> <p>Each March there is an annual review and clients are informed of their new charge. A breakdown of the charges is provided and they are advised to inform LBB if there has been any change to their financial circumstances.</p> <p>The service level agreement requires all clients to have a completed and verified financial assessment form at least every 2 years. These reviews are carried out on a monthly basis and the completed financial assessments forms are processed on completion.</p>	<p>Completed.</p> <p>31/7/16</p>		<p>Liberata Operations Manager, Financial Assessment Management and Appointeeship & Deputyship.</p> <p>Operations Manager, Financial Assessment Management and Appointeeship & Deputyship</p>	<p>Management advised that there are 49 financial assessment forms still to be processed from the 1192 that had been returned in 2014. These have been prioritised and are likely to be completed within the next month.</p> <p>Sample 8 had 13.5 planned hours detailed within the template but on Carefirst, the service users planned hours were recorded as 13.25. A new recommendation has been made as a result.</p>	<p>New recommendation made.</p>

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Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
<p>2. <u>Expenditure</u> Ensure that the appropriate checks are undertaken to ensure that the Authority only pays for actual goods and services purchased and received. Recovery of the overpayment has occurred by applying the credit note. Mis-codings identified through testing should be rectified.</p>	<p>Admin staff who raise orders will be reminded to request the appropriate budget codes for any expenditure which may be for another unit.</p> <p>Checks will be put in place to ensure that in future staff time sheets outside of the Adecco system are checked more thoroughly.</p>	<p>January 31st 2016.</p> <p>Immediate</p>	<p>2</p>	<p>Scheme Managers and Group Manager.</p> <p>Group Manager</p>	<p>Audit testing showed that there were no issues arising in relation to the expenditure items sampled for testing.</p> <p>Management advised that every order that is raised has the budget code checked to ensure it is the correct budget code for which ever scheme has raised the order. It is very rare that another scheme has to order goods for another and it is always discussed if that is what is needed.</p>	<p>Implemented.</p>
<p>3. <u>Use of Agency</u> If staff are engaged outside of the Adecco contract, then three written quotes should be obtained. In the absence of this a waiver should have been sought.</p>	<p>If there is a need to engage staff outside of the contract for the supply of agency staff, then three quotes will be requested or a waiver sought.</p>	<p>Immediate.</p>	<p>2</p>	<p>Head of Direct Care Services.</p>	<p>From reviewing the expenditure items it could be seen that there were no agency fee payments.</p> <p>Management advised that no staff are used outside of the supply of agency staff contract and if it was ever required three quotes would be obtained.</p>	<p>Implemented.</p>

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<p>4. <u>Assets</u> All assets attributable to the Amenity Fund should be separately recorded and easily identifiable. The asset checks undertaken throughout the year should be signed off by the Unit Manager or Group Manager.</p>	<p>Assets have been identified and are on the appropriate logs.</p>	<p>Immediate.</p>	<p>2</p>	<p>Scheme Managers and Group Manager.</p>	<p>An extract of the schedule of the Amenity Fund assets was provided by the Unit Manager and had been duly signed off by the Unit Manager.</p>	<p>Implemented.</p>

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APPENDIX B

Recommendation	Priority *Raised in Previous Audit	Risk	Management Comment	Responsibility	Agreed Timescale
<p>1. <u>Domiciliary Care Charges & Accounts</u> Domiciliary care statements should reflect the actual care delivered within respective weeks. Care charges should reflect the actual care received on a weekly basis. Any increases or reductions in care should be reflected within the charges levied. Adjustments to the individual care accounts should be rectified without delay. The process for charging for care hours should be reviewed Financial Assessments should be undertaken regularly. Confirmation should be provided to Internal Audit that there are no other similar cases that have fallen outside of the process. All financial assessments should be readily available and contribution levels evidenced.</p>	<p>1*</p>	<p>Incorrect charges are applied resulting in loss of income.</p>	<p>The correct charges for sample 1 have now been levied. The missing hours identified was as a result of an error in the template used by the ECH units. This was resolved in August 2016 and new guidance was issued to the staff responsible for uploading the care hours.</p> <p>The contractor has carried out an audit of all clients' accounts in CareFirst for the period January 2016 to August 2016. This was completed on 28th November 2016. The missing hours identified have been uploaded and the charges will be levied.</p> <p>Monitoring was introduced in February 2016 and any errors identified have been investigated and corrected.</p>	<p>Operations Manager</p> <p>Operations Manager</p> <p>Exchequer Finance Officer</p>	<p>Completed</p> <p>Completed</p> <p>Ongoing</p>

<p><u>2.Information held on Carefirst.</u> Planned hours on Carefirst for service users should reconcile to care plans to ensure that the correct hours are being provided and the correct charges made, as appropriate.</p>	<p>2</p>	<p>Incorrect care charges could be made if the hours on Carefirst are incorrect and misleading.</p>	<p>There is a tolerance policy in place to ensure the needs of the service user are met in a safe and timely way. This means that for short period of up to 2wk and no longer than 4 weeks there may be a difference in how the hours are reflected in the extra care housing plan and Carefirst. This is updated within 4 weeks by the care management team and there should not be any charges outstanding beyond that 4 week period for any service user. During the next 4 months the Team Leader Coordination & Review will have random samples checked to ensure this process is being followed.</p>	<p>Team Leader Coordination & Review.</p>	<p>Ongoing</p>
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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**