

**FINAL INTERNAL AUDIT REPORT**  
**EDUCATION, CARE AND HEALTH SERVICES**

**REVIEW OF CONTRACT MANAGEMENT - ADULT MENTAL HEALTH FOR 2017-18**

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**Report No.:** ECHS/08/2017/AU

## REVIEW OF CONTRACT MANAGEMENT - ADULT MENTAL HEALTH FOR 2017-18

### INTRODUCTION

1. This report sets out the results of our systems based review of the arrangements in place for monitoring the agreement with the Trust for the provision of care management for Mental Health for 2017/18.
2. The audit was carried out in quarter 4 as part of the programmed work specified in the 2017-18 Internal Audit Plan agreed by the Section 151 Officer and Audit Sub-Committee.
3. 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.
4. The original scope of the audit was outlined in the Terms of Reference issued on 3 January 2018. This audit is concerned with the contract management and monitoring of the Section 31 Agreement with the Trust.
5. The Council and the Trust have a 20 year Section 31 Agreement for Mental Health functions that started in 2004. For 2017-18 £1,407,910 was paid to the pooled fund for the cost of care management. The pooled fund is managed by the Trust. This payment represents approximately 20% of expenditure for the Mental Health budget, the majority of the budget represents commissioned services for Mental Health clients and is paid directly by Bromley. The value of the services commissioned via the Section 31 Agreement are £5m, offset by approximately £600k of client contributions and contributions from Health.

### AUDIT SCOPE

6. The scope of the audit is detailed in the Terms of Reference.

### AUDIT OPINION

7. Overall, the conclusion of this audit was that limited assurance can be placed on the effectiveness of the overall controls for the management and monitoring of the section 31 agreement with the Trust. Definitions of the audit opinions can be found in Appendix C.

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### MANAGEMENT SUMMARY

8. The audit considered the role of two divisions of the Department, namely Adult Social Care and Programmes. At the start of the audit it was difficult to engage with a key officer assigned to manage or monitor the agreement. The first meeting was held with the Strategic Commissioner, who had historically been involved with the Mental Health agreement and was able to explain the changes of personnel since 2004 and give an update on the current roles and responsibilities. It was established that the Mental Health and Substance Misuse (MH&SM) Commissioner was a full time post, part funded with CCG, up to July 2015 when the officer elected to reduce to 18 hours per week. The MH&SM Commissioner left the Authority in May 2016 and the post was filled by an agency worker on a part time basis until June 2017. The establishment list for November 2017 shows that the MH&SM Commissioner post (post number 3275) was to be deleted. The MH&SM Commissioner role has not been effectively filled and the management and monitoring of the agreement lapsed. It is acknowledged that there has been a significant change in personnel, restructures and vacancies in this area that has contributed to this position. For 2016/17 Mental Health was part of the Commissioning Division and the Lead Officer was the designated budget holder. The budget transferred to the Director of Adult Social Care for 2017-18. It was also noted that the Interim Director of Programmes joined the Authority in August 2017 and the previous Director, who had had responsibility for Mental Health, left in June 2017.
9. At a meeting with the Directors of Adult Social Care and Programmes and Internal Audit on the 29 January 2018 it was agreed that the Section 31 agreement with the Trust was in urgent need of revision and update. The Interim Head of Programme Design had recently been appointed and the Director of Programmes had identified the Mental Health agreement as a priority. The Director of Adult Social Care confirmed that a review was underway to consider resources; the need for a permanent Business Support role, the transfer of funding to appoint a Head of Service role employed by Bromley to be the client officer and to restructure and combine Learning Disabilities and Mental Health.
10. For the Section 31 Agreement with the provider, controls noted to be in place included:
  - The agreement between the Council and the Trust for the exercise of mental health functions was signed by the Council's Head of Legal and Electoral Services;
  - The agreement details the requirement to comply with all statutory requirements;
  - The functions of the Council and the provider are stated in the agreement;
  - The agreement details the requirement for confidentiality and compliance with the Data Protection Act 1998;
  - The financial arrangements for the pooled fund are defined in the agreement between the Council and the Trust; and
  - The agreement details the procedure for dealing with overspends and underspends.

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11. However, examination of the Section 31 agreement has identified the following issues that need to be addressed by management:-
  - The agreement between the Council and the Trust has not been reviewed or varied since commencement 14 years ago;
  - The Department could not evidence monitoring of the effectiveness of the agreement in line with performance measures.
  - Roles and responsibilities that relate to the agreement have not been clearly defined or formally assigned; Oversight responsibility for the overall leadership for Mental Health services in Bromley, including overseeing the S.31 agreement is not clearly defined or assigned;
  - Service agreement reviews had not been completed within agreed timescales.
  - The Department could not evidence quarterly performance management reports as detailed in the agreement.
  - Budget monitoring reports for the pooled fund are not produced nor submitted as stated in the agreement;
12. As defined in the Terms of Reference, this audit only considered the Section 31 agreement. However, during the course of the audit there have been issues identified that impact on the processes and financial management of the commissioned services and should be considered by management. Reference has been made to specific examples in the relevant sections and relate to roles and responsibilities and placement reviews. It should be noted that no detailed audit testing of client data and service agreements has been undertaken at present.
13. It is acknowledged that there have been several changes of personnel and the Department are again considering a restructure; however, the procedure to authorise, upload care packages to the authority's case management system, reconcile information to the care management system used by the Trust and review of service agreements requires urgent attention and ownership.

### SIGNIFICANT FINDINGS (PRIORITY 1)

14. There are 5 significant findings relating to:-
  - Variation/s to contract**
15. The Council has a Section 31 of the Health Act 1999 agreement in place with the Trust, which commenced 1 April 2004 for a period of 20 years. Section 42 of the agreement details the conditions for variation. The agreement had been in place for 14 years without any evidence of review or variation to ensure it is relevant and fit for purpose. There was no evidence of any change control documents issued for the agreement. The agreement refers to the Data Protection Act 1998 with regard to

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personal data held about seconded staff but does not detail how personal client data will be handled. A data sharing agreement was not evidenced.

### **Performance Measures and Monitoring**

16. The Section 31 agreement requires the parties to continually monitor the effectiveness of the arrangements in line with the performance measures. At the time of the audit it was established that the performance measures specified in the agreement were obsolete and out of date and there were no defined monitoring arrangements in place.
17. The agreement requires monthly performance meetings to be held between the Trust and the Council to monitor service volumes, service quality and financial performance. It was established that monthly performance monitoring meetings were not being held between the Trust and the Council.
18. Schedule 15 of the agreement requires the parties to establish a Mental Health Board to provide the overall leadership for mental health services in Bromley, including overseeing the S31 agreement. It was established that there is presently no Mental Health Board in place.
19. The Council is required to perform annual reviews no later than three months after the end of each financial year of the operation of the agreement however there was no evidence that these reviews had been performed. Not less than every three years a full review of the arrangements taking into account the Council's obligations in respect of the best value duty and monitoring arrangements should be undertaken and reported formally. No formal report of the review or outcome was evidenced.
20. Section 14.6 of the agreement requires the Trust to agree performance management and a supervisory framework for all staff with the Council in relation to the arrangements. This was not clearly defined or evidenced as agreed with the Trust.

### **Roles and Responsibilities**

21. The role of the Council's Authorised Officer (CAO) who is empowered to act on behalf of the Council in relation to the Agreement is not formally assigned. The operational responsibility for the Agreement is not defined or formally assigned.
22. The Business Support Officer (BSO) is a key officer in this process and is the link between the Trust care management and Bromley. The BSO receives all panel decisions and uploads care packages to the Authority's case management system to

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create the service agreement and thus payment. As there is no connection between the Trust's cases management system and Bromley's, all supporting documentation and communication is via e-mail. At the time of the audit the BSO had no line management.

23. In an interview with the Service Accountant concerns were raised over the upload of service agreements to the Authority's case management system, ending services in a timely manner, accuracy of information and possible lack of reviews and changes. In an interview with the Strategic Commissioner the need to reconcile the two case management systems was discussed and agreed that this function is not currently undertaken. The BSO evidenced two recent examples whereby the Authority were invoiced for services in respect of clients with no current service agreement for Mental Health. With no reconciliation the role of the BSO is critical.
24. The BSO is a temporary appointment through the Authority's contracted agency provider. The funding for this post expired on 31 March 2018 and there were no plans to replace this officer. As at the 20th March there were no arrangements in place for the handover of the BSO role and responsibilities.

### **Service Agreement Reviews**

25. Following Mental Health Services Practice Review Group procedures, all clients where decisions have been made to provide services are required to be reviewed within 3 and 6 months.
26. At the audit meeting on the 20/3/18 the BSO stated that there were approximately 200 Mental Health clients spread across 4 teams (3 Mental Health Teams and 1 Older persons team) but that the service agreement reviews for these were not being conducted, with some up to 4 years overdue. Examination of the 'Mental Health PRG Funding Agreement 2016 to 2017' spreadsheet provided confirmed that service reviews from July 2016 were outstanding and overdue.
27. The BSO confirmed that the Strategic Commissioner had engaged 2 temporary care managers in December 2017 to review all cases and identify any potential savings. At the end of audit meeting on the 18/4/18 the Director suggested that all outstanding reviews had now been completed.
28. At a meeting with the BSO and the Strategic Commissioner on the 24/4/18 the current position for reviews was discussed and evidenced. From the summary sheet started in week commencing 7/3/18 and regularly updated from panel information and decision sheets, the outstanding reviews are as follows:-

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| <b>Mental Health Team</b> | <b>Review outstanding &gt; 12 months</b> | <b>Review outstanding for between 6 and 12months</b> | <b>Review completed within 3-6 months</b> | <b>Total</b> |
|---------------------------|--|--|---|--------------|
| <b>Bromley East</b>       | 27                                       | 2  | 13  | 42           |
| <b>Bromley West</b>       | 48                                       | 17   | 34  | 99           |
| <b>Older People</b>       | 18                                       | 5  | 8   | 31           |
| <b>CMHRES</b>             | 2  | 2  | 1   | 5            |
| <b>Total</b>              | <b>95</b>                                | <b>26</b>  | <b>56</b>                                 | <b>177</b>   |

The thirty cases with a weekly care package exceeding £900 initially identified for review are not included in the table above. To achieve a rapid turn round and maximise potential savings, cases with no potential to reduce or change were abandoned and not fully reviewed by the temporary care managers engaged by Bromley. Excluding the >£900 p.w. cases, the Authority's case management system is showing an overdue review exceeding 12 months for 53% of clients.

### **Management Reporting**

29. The agreement requires the Trust to submit a quarterly performance management report to the Bromley Joint Mental Health Board. This should include a:
- The Trust's Quality Governance Report (QGR);
  - The Trust's Bromley Management Report (BOMR);
  - Service and Financial Framework Report (SaFFR);
  - Referrals, Assessments and Packages of care (RAP);
  - Performance Assessment Framework (PAF);
  - Trust Start ratings;

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- Performance Improvement Plan; and
- Delivery Improvement Statement (DIS).

30. At the time of the audit, Internal Audit noted that a Quarterly Performance Management Report was not being prepared as required.

### DETAILED FINDINGS / MANAGEMENT ACTION PLAN

31. 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 prioritised at Appendix B.

### ACKNOWLEDGEMENT

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

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DETAILED FINDINGS

APPENDIX A

| No. | Findings  | Risk  | Recommendation   |
|-----|---|---|--|
| 1   | <p><b><u>Variation to Contract</u></b></p> <p>The Council has a Section 31 of the Health Act 1999 agreement in place with the Trust, which commenced 1 April 2004 for a period of 20 years. Section 42 of the agreement details the conditions for variation.</p> <p>Internal Audit noted that at the time of the audit, the agreement had been in place for 14 years without any evidence of review or variation to ensure it is relevant and fit for purpose. There was no evidence of any change control documents issued for the agreement.</p> <p>Examination of the agreement also identified that, while this details that both the Council and the Trust shall deal with any personal data held about Seconded Staff in accordance with the Data Protection Act 1998, this does not detail how personal client data will be dealt with. A data sharing agreement was not evidenced.</p> | <p>Where the Council does not review its agreements and agreements regularly, there is a risk that terms and conditions are obsolete, out of date and do not reflect current legislation.</p> | <p>The Council should critically review its agreement with the Trust for the exercise of Mental Health functions.</p> <p>Any significant variation to agreement must be supported by a change control document.</p> <p><b>Priority 1</b></p> |

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| No. | Findings  | Risk   | Recommendation   |
|-----|---|--|--|
| 2   | <p><b><u>Performance Measures and Monitoring</u></b></p> <p>The Section 31 agreement requires the parties to continually monitor the effectiveness of the arrangements in line with the performance measures.</p> <p>At the time of the audit, it was established that:</p> <ul style="list-style-type: none"> <li>the performance measures specified in the agreement between the Council and the Trust were obsolete and out of date.</li> <li>there were no defined monitoring arrangements in place</li> </ul> <p>The agreement requires monthly performance meetings to be held between the Trust and the Council to monitor service volumes, service quality and financial performance. It was established that monthly performance monitoring meetings were not being held between the Trust and the Council. It is acknowledged that a representative from the Trust attends monthly service meetings at the Council; however, operational issues are discussed at these meetings and not performance.</p> <p>Schedule 15 of the agreement requires the parties to establish a Mental Health Board to provide the overall leadership for mental health services in Bromley, including overseeing the S31 agreement. It was established that there is presently no Mental Health Board in place.</p> | <p>Where performance measures are not clearly defined, monitored or reported, there is a risk that the Council is unaware of the agreement performance leading to a failure of the Council to provide an effective service.</p> <p>Where reviews are not performed as required, there is a risk that the Council is unaware of relevant issues, which then in turn cannot be corrected promptly.</p> <p>Poor performance may not be identified, recorded or monitored resulting in failure of the service.</p> | <p>The performance measures for the arrangement should be clearly defined and agreed by the parties. These should be regularly reported on and monitored.</p> <p>Any substitution for performance meetings should be formally recognised as such and the minutes evidence attendance of the Trust’s representatives and discussion of issues arising from delivering the agreement.</p> <p>Similarly any replacement to the Mental Health Board should be formally agreed to meet the terms of the Section 31 agreement.</p> |

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**DETAILED FINDINGS**

**APPENDIX A**

| No.        | Findings  | Risk | Recommendation  |
|------------|---|------|---|
| 2.<br>Cont | <p>The Council is required to perform annual reviews no later than three months after the end of each financial year of the operation of the agreement including in relation to the arrangements:</p> <ul style="list-style-type: none"> <li>• An evaluation of performance against agreed performance measures targets and priorities;</li> <li>• A review of the targets and priorities for the forthcoming year;</li> <li>• A review of the quality of service delivery;</li> <li>• A report of service changes proposed including staff resources;</li> <li>• A report of shared learning and opportunities for joint training;</li> <li>• An evaluation of any statistics or information required to be kept by the Department of Health from time to time; and</li> <li>• A review of the statutory functions of each Party which have been carried out by the other Party using the flexibilities in Section 31 of the Health Act 1999.</li> </ul> |      | <p>The Council must consider and prioritise performance reviews as detailed in the agreement and ensure that these are undertaken within the time frame specified in the agreement.</p> |

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| No.        | Findings   | Risk | Recommendation   |
|------------|--|------|--|
| 2.<br>Cont | <p>The Council is also required to not less than every three years carry out a full review of the arrangements taking into account the Council's obligations in respect of the best value duty and monitoring arrangements. A formal report should be prepared to record the outcome of the review.</p> <p>At the time of the audit, the required reviews were not evidenced as being performed.</p> <p>Section 14.6 of the agreement requires the Trust to agree performance management and a supervisory framework for all staff with the Council in relation to the arrangements. This was not clearly defined or evidenced as agreed with the Trust.</p> |      | <p>The review of the arrangements should be reported formally.</p> <p>Performance management and a supervisory framework for all staff with the Council in relation to the arrangements should be clearly defined and evidenced as agreed with the Trust.</p> <p><b>Priority 1</b></p> |

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APPENDIX A

| No. | Findings  | Risk  | Recommendation  |
|-----|---|---|---|
| 3   | <p><b><u>Roles and Responsibilities</u></b></p> <p>The role of the Council's Authorised Officer (CAO) who is empowered to act on behalf of the Council in relation to the Agreement is not formally assigned, although it was established that an appointment was being considered. The operational responsibility for the Agreement is not defined or formally assigned.</p> <p>In an interview with the Strategic Commissioner, Client Resources (ECHS) concerns were raised over the authorisation process for Mental Health packages. The Business Support Officer (BSO) is a key officer in this process and is the link between the Trust's care management and Bromley. The BSO receives all panel decisions and uploads care packages to the Authority's case management system to create the service agreement and thus payment. As there is no connection between the Trust's case management system and Bromley's all supporting documentation and communication is via e-mail. At the time of the audit the BSO had no line management.</p> <p>In interview with the Service Accountant concerns were raised over the upload of service agreements to the case management system, ending services in a timely manner, accuracy of information and possible lack of reviews and changes.</p> | <p>Where the roles and responsibilities that relate to the agreement have not been clearly defined or formally assigned, there is a risk that vital agreement management tasks are not performed or a lack of accountability.</p> <p>Where the responsibility for oversight is not clearly assigned, there is a risk of failure of the Service.</p> | <p>Roles and responsibilities should be clearly defined for officers involved in the Adult Mental Health agreement; including the Agreement Manager with responsibilities for performance monitoring and reporting.</p> <p>The oversight responsibility to provide the overall leadership for Mental Health services in Bromley, including overseeing the S.31 agreement should be clearly defined and assigned</p> |

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| No.        | Findings  | Risk | Recommendation  |
|------------|---|------|---|
| 3.<br>Cont | <p>In interview with the Strategic Commissioner the need to reconcile the two case management systems was discussed and agreed that this function is not currently undertaken. With no reconciliation the role of the BSO is critical.</p> <p>No audit testing on client data or service agreements has been undertaken at this time however the weakness in process was supported by a recent e-mail trail evidenced by the BSO whereby for two separate instances the Council was being invoiced for care provided to clients, but neither client was a Mental Health service user on the case management system and there was no record of these cases going to panel.</p> <p>The BSO is a temporary appointment through the Authority's contracted agency provider. The funding for this post expired on 31 March 2018 and there were no plans to replace this officer. At the time of meeting with the BSO (20 March 2018) there were no arrangements in place for the handover of his role.</p> |      | <p>The role of the BSO should be defined and procedure notes developed to ensure continuity of service delivery. The BSO should be included in a Bromley Team and given clear lines of report.</p> <p><b>Priority 1</b></p> |

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| No. | Findings   | Risk  | Recommendation   |
|-----|--|---|--|
| 4   | <p><b><u>Service Agreement reviews</u></b></p> <p>Following Mental Health Services Practice Review Group procedures, all clients where decisions have been made to provide services are required to be reviewed within 3 and 6 months.</p> <p>At the audit meeting 20/3/18 the BSO stated that there were approximately 200 Mental Health clients spread across 4 teams (3 Mental Health Teams and 1 Older persons team) but that the service agreement reviews for these were not being conducted, with some up to 4 years overdue. Examination of the 'Mental Health PRG Funding Agreement 2016 to 2017' spreadsheet provided confirmed that service reviews from July 2016 were outstanding and overdue.</p> <p>The Business Support Officer confirmed that the Strategic Commissioner had engaged 2 temporary care managers in December 2017 to review all cases and identify any potential savings. At the end of audit meeting on the 18/4/18 the Director suggested that all outstanding reviews had now been completed.</p> <p>At a meeting with the BSO and the Strategic Commissioner on the 24/4/18 the current position for reviews was discussed and evidenced. From the summary spreadsheet started in week commencing 7/3/18 and regularly updated from panel information and decision sheets, the outstanding reviews are as follows:-</p> | <p>There is a risk that client needs are not being appropriately met or that services are being unnecessarily provided.</p> | <p>Ensure that all service agreement reviews are conducted for all clients in a timely manner and in line with agreed procedures.</p> <p>Ensure that the Trust's care managers deliver the client reviews in line with agreed procedures and the terms of the agreement</p> <p><b>Priority 1</b></p> |

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DETAILED FINDINGS

| No.       | Findings  | Risk | Recommendation |
|-----------|---|------|----------------|
| 4<br>cont | <p><b>Bromley East</b> 27 cases &gt;12 months, 2 cases 6 to 12 months and 13 cases review completed in time</p> <p><b>Bromley West</b> 48 cases &gt;12 months, 17 cases 6 to 12 months and 34 cases review completed in time</p> <p><b>Older People</b> 18 cases &gt;12 months, 5 cases 6 to 12 months and 8 cases review completed in time</p> <p><b>CMHRES</b> 2 cases &gt; 12 months, 2 cases 6 to 12 months and 1 case review completed in time.</p> <p>The 30 cases identified as &gt;£900 per week are not included in this summary; the BSO is currently updating the results of the review undertaken by the temporary care managers engaged by Bromley for this group of clients.</p> <p>To achieve a rapid turn round and maximise potential savings, cases with no potential to reduce or change were abandoned and not fully reviewed by the temporary care managers engaged by Bromley.</p> <p>The summary spreadsheet evidenced by the BSO on the 24/4/18 and updated from the case management system shows 53% of clients with a review outstanding for more than 12 months.</p> |      |                |

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| No. | Findings   | Risk   | Recommendation  |
|-----|--|--|---|
| 5   | <p><b><u>Management Reporting</u></b></p> <p>The agreement requires the Trust to submit a quarterly performance management report to the Bromley Joint Mental Health Board. This should include a:</p> <ul style="list-style-type: none"> <li>- The Trust’s Quality Governance Report (QGR);</li> <li>- The Trust’s Bromley Management Report (BOMR);</li> <li>- Service and Financial Framework Report (SaFFR);</li> <li>- Referrals, Assessments and Packages of care (RAP);</li> <li>- Performance Assessment Framework (PAF);</li> <li>-Trust Start ratings;</li> <li>- Performance Improvement Plan; and</li> <li>- Delivery Improvement Statement (DIS).</li> </ul> <p>At the time of the audit, Internal Audit noted that a Quarterly Performance Management Report was not being prepared as required.</p> | <p>Where reports are not produced and circulated as required, there is a risk that the Council is unaware of relevant issues, which then in turn cannot be corrected promptly.</p> | <p>Liaise with the Trust to ensure that Performance Management Reports are produced and submitted as required.</p> <p><b>Priority 1</b></p> |

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| No. | Findings  | Risk   | Recommendation  |
|-----|---|--|---|
| 6   | <p><b><u>Budget Monitoring</u></b></p> <p>The agreement requires the Trust to prepare and submit monthly and quarterly budget reports in relation to the pooled fund and hold monthly monitoring meetings to consider these reports.</p> <p>It was established that between January and December 2017, the Trust prepared budget reports for only July and October 2017 and no meetings were held. Quarterly budget reports were not provided to the Council. The Service Accountant confirmed that the budget monitoring received from the Trust is adequate and in line with the Council's budget monitoring schedule. The Trust's accountant and the Service Accountants will correspond and confirm by e-mail any issues arising during the year. The October 2017 budget report for 'LB S75 OPMH' showed that the expenditure was on target and a favourable year-end variance of £2k was projected.</p> | <p>Where budget monitoring reports are not produced or submitted as required, there is a risk that the Council does not have access to timely information to make appropriate and effective budgetary decisions which could result in discrepancies not being identified in a timely manner.</p> | <p>The requirement to submit budget monitoring reports should be specified in a change control document.</p> <p><b>Priority 3</b></p> |

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APPENDIX B

MANAGEMENT ACTION PLAN

| Finding No. | Recommendation  | Priority *Raised in Previous Audit | Management Comment   | Responsibility              | Agreed Timescale |
|-------------|---|------------------------------------|--|-----------------------------|------------------|
| 1           | <p><b>Variation to Contract</b></p> <p>The Council should critically review its agreement with the Trust for the exercise of Mental Health functions.</p> <p>Any significant variation to agreement must be supported by a change control document.</p> | 1                                  | <p>A project plan is in place to review the services currently included within the agreement. An Interim Mental Health Board has been established to oversee the project</p>   | Interim Director Programmes | August 2018      |
| 2           | <p><b><u>Performance Measures and Monitoring</u></b></p> <p>The performance measures for the arrangement should be clearly defined and agreed by the parties. These should be regularly reported on and monitored.</p>                                  | 1                                  | <p>A review of required performance measures set out in the Agreement has already commenced to ensure they are outcomes-based and meet statutory reporting requirements.</p> <p>Meetings are being set up with the Trust to develop data sets in line with the Council's requirements. The CCG is being included in these discussions as part of the plan to develop an integrated performance dashboard which</p> | Interim Director Programmes | August 2018      |

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APPENDIX B

MANAGEMENT ACTION PLAN

| Finding No. | Recommendation   | Priority *Raised in Previous Audit | Management Comment  | Responsibility                | Agreed Timescale                |
|-------------|--|------------------------------------|---|-------------------------------|---------------------------------|
| 2 cont      | Any substitution for performance meetings should be formally recognised as such and the minutes evidence attendance of the Trust's representatives and discussion of issues arising from delivering the agreement. |                                    | <p>spans both social care and health care.</p> <p>This work will continue alongside the review (Finding 1) so that performance measures are developed to reflect any service delivery variations agreed within part of the review.</p> <p>The Interim Mental Health Board will receive and scrutinise performance data.</p> <p>Records will be kept as per the recommendation. The Interim Mental Health Board will have oversight of the Trust's performance, including the Audit report priority 1 recommendations.</p> | Director of Adult Social Care | From the end of Q1 2018 onwards |

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MANAGEMENT ACTION PLAN

| Finding No. | Recommendation  | Priority *Raised in Previous Audit | Management Comment   | Responsibility  | Agreed Timescale  |
|-------------|---|------------------------------------|--|---|---|
| 2 cont      | Similarly any replacement to the Mental Health Board should be formally agreed to meet the terms of the Section 31 agreement. |                                    | <p>The interim Mental Health Board will be established and have met for the first time</p> <p>This Board will review current governance arrangements required by the Agreement and recommend whether a new permanent Mental Health Board is needed or whether it can be through existing governance i.e. Integrated Commissioning Board reporting to the Health and Wellbeing Board.</p> | <p>Director of Adult Social Care</p> <p>Director of Adult Social Care</p> | <p>June 2018</p> <p>Regularly through the next 6 months</p> |

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MANAGEMENT ACTION PLAN

| Finding No. | Recommendation   | Priority<br>*Raised in<br>Previous<br>Audit | Management Comment   | Responsibility              | Agreed<br>Timescale         |
|-------------|--|---|--|-----------------------------|-----------------------------|
| 2 cont.     | The Council must consider and prioritise performance reviews as detailed in the agreement and ensure that these are undertaken within the time frame specified in the agreement. |   | <p>Performance reviews will take place as per the agreement</p> <p>A joint approach is being taken to move towards integrated contract management and procurement with the CCG. This includes the development of a joint contract management framework for mental health by aligning the Council's contract monitoring meetings with those of the CCG. Both organisations have separate contracts with the Trust for the provision of the various mental health services and functions, with different end dates. Ultimately the plan is to merge these contracts so that joint decisions can be made on service design, future procurement and contract management, to enable best practice and innovation.</p> | Interim Director Programmes | From end of Q1 2018 onwards |

REVIEW OF CONTRACT MANAGEMENT FOR ADULT MENTAL HEALTH FOR 2017-18

APPENDIX B

MANAGEMENT ACTION PLAN

| Finding No. | Recommendation  | Priority *Raised in Previous Audit | Management Comment  | Responsibility  | Agreed Timescale                                  |
|-------------|---|------------------------------------|---|---|---|
| 2 cont.     | <p>The review of the arrangements should be reported formally.</p> <p>Performance management and a supervisory framework for all staff with the Council in relation to the arrangements should be clearly defined and evidenced as agreed with the Trust.</p> |                                    | <p>Annual reviews will be undertaken at the end of each financial year. Any agreed variations to the arrangements will be implemented thereafter</p> <p>The Director for ASC provides professional supervision to the social care lead (employed by the Trust), and advises on recruitment and retention and warrant AMHPs. (see 3 below)</p> | <p>Interim Director Programmes</p> <p>Director of Adult Social Care</p> | <p>Annually by May each year</p> <p>Completed</p> |

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APPENDIX B

MANAGEMENT ACTION PLAN

| Finding No. | Recommendation  | Priority *Raised in Previous Audit | Management Comment   | Responsibility   | Agreed Timescale                                       |
|-------------|---|------------------------------------|--|--|--|
| 3           | <p><b><u>Roles and Responsibilities</u></b></p> <p>Roles and responsibilities should be clearly defined for officers involved in the Adult Mental Health agreement; including the Agreement Manager with responsibilities for performance monitoring and reporting.</p> <p>The oversight responsibility to provide the overall leadership for mental health services in Bromley, including overseeing the S.31 agreement should be clearly defined and assigned.</p> <p>The role of the BSO should be defined and procedure notes developed to ensure continuity of service delivery. The BSO should be included in a Bromley Team and given clear lines of report.</p> | 1                                  | <p>A variation to the agreement is being negotiated to bring a proportion of the funding back into Council control, in order to appoint an interim mental health specialist, to act as Agreement Manager, and who will have responsibility for monitoring and reporting.</p> <p>Current oversight of this agreement is the responsibility of the Director of Adult Social Care.</p> <p>The BSO post will report to the Mental Health specialist once appointed. In the interim, the postholder reports to the Director of ASC.</p> | <p>Director of Adult Social Care</p> <p>Director of Adult Social Care</p> <p>Director of Adult Social Care</p> | <p>August 2018</p> <p>Completed</p> <p>August 2018</p> |

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APPENDIX B

MANAGEMENT ACTION PLAN

| Finding No. | Recommendation   | Priority *Raised in Previous Audit | Management Comment  | Responsibility  | Agreed Timescale                  |
|-------------|--|------------------------------------|---|---|-----------------------------------|
| 4           | <p><b><u>Service Agreement Reviews</u></b></p> <p>Ensure that all service agreement reviews are conducted for all clients in a timely manner and in line with agreed procedures.</p> <p>Ensure that the Trust's care managers deliver the client reviews in line with agreed procedures and the terms of the agreement</p> | 1                                  | <p>All overdue reviews have been undertaken and sent through to the Care Placement Team who enters the information on.</p> <p>The Team is currently undertaking a data cleansing exercise to establish the true position, to ensure previously undertaken reviews are recorded on the Authority's case management system.</p> | <p>Director of Adult Social Care</p> <p>Director of Adult Social Care</p> | <p>Completed</p> <p>July 2018</p> |

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APPENDIX B

MANAGEMENT ACTION PLAN

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|-------------|--|---|--|--|---------------------|
| 5           | <p><b><u>Management Reporting</u></b><br/>Liaise with the Trust to ensure that Performance Management Reports are produced and submitted as required.</p>            | 1   | <p>The Trusts provide the Council with monthly reports as required for statutory SALT reporting.</p> <p>A meeting has been arranged with the Trust to review and refresh the existing requirements, for reporting as a standing item to the Interim Mental Health Board.</p> | Interim Director Programmes                      | August 2018         |
| 6           | <p><b><u>Budget Monitoring</u></b><br/>The requirement to submit budget monitoring reports for the pooled fund should be specified in a change control document.</p> | 3   | Budget monitoring reports are currently received on a quarterly basis. The Trust have been asked to provide monthly monitoring reports in future.  | Interim Director Programmes/Head of Finance ECHS | June 2018           |

As a result of their audit work auditors should form an overall opinion on the extent that actual controls in existence provide assurance that significant risks are being managed. They grade the control system accordingly. Absolute assurance cannot be given as internal control systems, no matter how sophisticated, cannot prevent or detect all errors or irregularities.

**Assurance Level**

**Definition**

Full Assurance

There is a sound system of control designed to achieve all the objectives tested.

Substantial Assurance

While there is a basically sound systems and procedures in place, there are weaknesses, which put some of these objectives at risk. It is possible to give substantial assurance even in circumstances where there may be a priority one recommendation that is not considered to be a fundamental control system weakness. Fundamental control systems are considered to be crucial to the overall integrity of the system under review. Examples would include no regular bank reconciliation, non-compliance with legislation, substantial lack of documentation to support expenditure, inaccurate and untimely reporting to management, material income losses and material inaccurate data collection or recording.

Limited Assurance

Weaknesses in the system of controls and procedures are such as to put the objectives at risk. This opinion is given in circumstances where there are priority one recommendations considered to be fundamental control system weaknesses and/or several priority two recommendations relating to control and procedural weaknesses.

No Assurance

Control is generally weak leaving the systems and procedures open to significant error or abuse. There will be a number of fundamental control weaknesses highlighted.