

**AUDIT REPORT 19'029**

**SOCIAL CARE - CONTRIBUTIONS POLICY**

**EXECUTIVE SUMMARY**

The annual audit plan for 2018/19 provides for an audit review to be undertaken of the application of the Contributions Policy. The Contributions Policy applies to Self-Directed care and support charges for non-residential services accessed by adults. The Policy defines services within remit and the calculation basis for contributions a service user may be required to make, based on their ability to pay. The Contributions Policy takes into account national legislation for Self-Directed Support, COSLA guidance on charges for non-residential social care services and Department for Work and Pensions regulations with regard to income rates.

The scope of the audit was to review a sample of financial assessments for service users with varied circumstances, and who access a range of care and support services, to confirm the correct and consistent application of the Contributions Policy. This has involved evidencing care and support assessments and ensuring contributions for services have been based on current needs, confirming the prompt undertaking of financial assessments and verifying the assessments align with the Contributions Policy and are correctly calculated and evidenced.

The audit has assessed whether the resultant contributions derived from the financial assessment process are accurate and has followed through the recovery process to confirm contributions assessed as due have been recovered in full from the service user. The process for reviewing contributions at appropriate intervals has also been covered within the scope of the audit.

The vast majority of audit testing has been undertaken with the Community Care Finance Team. Reference has also been made to other officers within the service such as the Direct Payments Team and Social Work Teams, as required, to fully test sample cases selected.

The main issues raised for management consideration arising from the review are as follows:-

- The Contributions Policy in use at the time of the audit is stated to apply for the period from January 2016 to April 2017. A formal review is overdue and is required to reflect changes in national legislation and to consider any areas of local discretion in the policy which it may be beneficial for the service to revise. A major change in policy is forthcoming with the introduction of free personal care for all adults with qualifying needs from April 2019. This will reduce contributions from service users with the withdrawal of this previously chargeable service for those under pension credit age.
- A potential weakness in control exists with the use of a variety of separate systems within the process and no reconciliation of content between these systems. Support needs and packages of supported persons are recorded on

Carefirst, financial assessments are recorded in Excel spreadsheet format and invoicing of contributions is undertaken through the Council's Financial Management System. Due to the manual nature of elements in the process there is potential for a service user to be assessed but not referred for financial assessment or a financial assessment undertaken but no contribution set up for invoicing. Going forward a practical solution is required to give assurances that all chargeable service users are referred for financial assessment, financially assessed and contributions invoiced, on presenting to the service and when any change in support occurs.

- Under Self Directed Support legislation, a supported individual has a number of options available for managing their care package. Where a service user is to receive a Direct Payment to manage their care, or where the service user chooses their care provider but the arrangements for provision are made by Social Care, there is the option within the Contributions Policy to pay the service user / service provider net of the service user's assessed contribution. This net payment basis is not commonly used in practice with the majority of support costs being paid gross and the service user then invoiced for their contribution. This is not best practice for cash flow management and carries the increased risk of being exposed to non-payment of contributions in addition to incurring administration costs of recovery. Current practice and policy in this area need to be further considered alongside the needs of service users.

## Recommendations: Social Care: Contributions Policy

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.		Low	Lower level controls absent, not being operated as designed or could be improved.
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
<b>Key Control:</b>						
5.01	A comprehensive review of the Contributions Policy is required to take into account changes in legislation and allow the opportunity for decisions to be made on local discretion areas within the policy, taking into account the challenging financial position facing public services.	High	Yes	The comprehensive review of the policy will be completed once key issues regarding Self Directed Support are considered at the SDS Steering Group on 17th July 2019.	Commissioning & Performance Officer	31/07/2019

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No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
<b>Key Control:</b> All contributions are assessed in line with the policy, correctly calculated and substantiated, and levied consistently on chargeable service users.						
5.02	Consideration should be given to the implementation of regular reconciliation checks to provide assurance that the complete database of chargeable service users have been referred for financial assessment, assessment undertaken and any established contribution towards care and support packages invoiced.	High	Yes	The Community Care Finance Team will work with Social Work Teams to ensure all clients receiving chargeable services are referred for financial assessment (see 5.03 below). Annual reviews are in place for service users paying a contribution for their care package and the Community Care Finance Officer will implement a quality assurance programme within the team to analyse maintenance and compliance with the review process.	Community Care Finance Officer	31/07/2019

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<b>No.</b>	<b>Audit Recommendation</b>	<b>Priority</b>	<b>Accepted (Yes/ No)</b>	<b>Comments</b>	<b>Responsible Officer</b>	<b>Timescale for Implementation</b>
<b>5.03</b>	All relevant officers should be reminded of the need to inform Community Care Finance of new care and support packages, changes to support levels and cessation of support where chargeable services are involved, to ensure correct and valid financial contributions are levied. The Direct Payments Team must also be notified of changes where Option 1 Self-Directed Support has been chosen for support management, to ensure payments to the service user remain correct and valid.	High	Yes	Meetings with the relevant officers have been arranged as part of the CareFirst Finance Project and will ensure accurate recording supports the implementation of the project.	OT & Intermediate Care Service Manager	31/07/2019

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5.04	On policy review, consideration should be given to the implications of gross and net payment methods, given current policy and practice are not in alignment. Any subsequent revision to policy or practice regarding payment basis should take into account the need to meet service user expectations under SDS, whilst minimising costs to the organisation.	High	Yes	The decision to incorporate a requirement to pay net rather than gross has been made at Practice Governance Board on 21st May 2019 and will be incorporated into the revised policy.	Commissioning & Performance Officer	31/07/2019

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5.05	When a review of an earlier financial assessment is deemed appropriate, rather than the undertaking of a new full financial assessment, the standard review process checklist document should be appropriately completed ensuring there is formalisation of the performance of review, the date undertaken and by whom.	Low	Yes	The Community Care Finance Officer will implement a quality assurance programme with the Financial Assessment Officer to analyse performance and ensure compliance.	Community Care Finance Officer	31/07/2019

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<b>No.</b>	<b>Audit Recommendation</b>	<b>Priority</b>	<b>Accepted (Yes/ No)</b>	<b>Comments</b>	<b>Responsible Officer</b>	<b>Timescale for Implementation</b>
<b>5.06</b>	Consideration should be given to notifying all service users of their continued contribution levels where an annual file review has been undertaken. Whilst this does involve administrative effort, it provides clarity for the service user and can act as a reminder to notify any circumstance changes which may have occurred since the prior contribution assessment.	Low	Yes	Agreed this would be beneficial for service users. The review process will be amended to include further communication with service users at the end of their budget period. This process will commence in line with recruitment to the team in June / July 2019 and further redesign.	Community Care Finance Officer	30/09/2019