



AUDIT AND PERFORMANCE SYSTEMS COMMITTEE

Date of Meeting	29.10.2019
Report Title	Internal Audit Report AC1908 Non-Residential Care Charging Policy
Report Number	HSCP.19.055
Lead Officer	David Hughes, Chief Internal Auditor
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Consultation Checklist Completed	Yes
Directions Required	No
Appendices	None

1. Purpose of the Report

- 1.1. The purpose of this report is to present the outcome from the planned audit of the Non-Residential Care Charging Policy that was included in the 2018/19 Internal Audit Plan for Aberdeen City Council.

2. Recommendations

- 2.1. It is recommended that the Audit & Performance Systems Committee review, discuss and comment on the issues raised within this report.

3. Summary of Key Information

- 3.1. On 29 September 2015, Aberdeen City Council's Audit, Risk and Scrutiny Committee agreed that Internal Audit reports relating to Adult Social Care would be provided to the Aberdeen City Integration Joint Board Audit and Performance Systems Committee after being considered by Audit, Risk and Scrutiny Committee. A reciprocal arrangement was agreed by the Audit and Performance Systems Committee on 11 August 2016. Whilst the



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Audit, Risk and Scrutiny Committee receives the full Internal Audit report, the Audit and Performance Systems Committee subsequently agreed that it wished to receive summary reports from Internal Audit rather than the full report.

- 3.2. The following summary of the Internal Audit report relating to the Non-Residential Care Charging Policy was considered by the Council's Audit, Risk and Scrutiny Committee on 26 June 2019. After some discussion of the issues identified, the Committee noted the report and endorsed the recommendations for improvement.
- 3.3. Although there is no 'duty' placed upon councils to charge for community care services, they are currently empowered by statute to make decisions about whether or not to charge for community care services, and, if they choose to, to develop and administer local charging policies. Financial and demographic pressures across the public sector increase the need to focus on potential revenue streams. Guidance and principles have been set out by CoSLA, and are updated annually, to assist in developing local policies.
- 3.4. Aberdeen City Council's Social Work non-residential charging policy was last updated in 2011 and is based on the principle that the level of services provided should be based on the service user's need, not their ability to pay and that a free service should continue to be provided to people on low incomes.
- 3.5. Aberdeen City Health and Social Care Partnership has ultimate responsibility for the delivery of the Charging Policy. Assistance in the delivery of the policy is provided by the Carefirst Team, the Financial Assessment Team, and the Business Services Transaction Team, within the Council.
- 3.6. In 2018/19, non-residential charging income of £7.5m was achieved against a budget of £8.3m.
- 3.7. The objective of this audit was to provide assurance that there is a clear charging policy and that it is being complied with.



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- 3.8. In 2015 the Education and Children's Services Committee agreed that the basis for charging should be adjusted, from the previous policy agreed in 2011 based on set rates for different services, so that individuals would contribute proportionally towards the cost of their care in the same way, regardless of how those services were provided, subject to a financial assessment of their ability to pay, and a limited number of exceptions. As previously reported (Internal Audit report AC1617 Self-Directed Support (October 2016)) this was not implemented as planned. This, and delays in identifying and invoicing for chargeable services may (depending on the outcome of financial assessments) have resulted in material sums of income being foregone.
- 3.9. Some delays in concluding financial assessments were also identified, and there is limited evidence in support of cases where charges have been waived. The Service has agreed to review the evidentiary requirements, monitoring and escalation process.
- 3.10. Approval for a new policy is being sought from the City Growth and Resources Committee in June 2019 (*note – this was approved*), and the Service has agreed to progress with further development and implementation of new systems and process changes to ensure charges under the new policy are raised correctly and timeously.

4. Implications for IJB

- 4.1. **Equalities** – An equality impact assessment is not required because the reason for this report is for Committee to discuss, review and comment on the contents of an Internal Audit report and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 4.2. **Fairer Scotland Duty** – there are no direct implications arising from this report.
- 4.3. **Financial** – there are no direct implications arising from this report.
- 4.4. **Workforce** - there are no direct implications arising from this report.
- 4.5. **Legal** – there are no direct implications arising from this report.
- 4.6. Other - NA



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5. Links to ACHSCP Strategic Plan

- 5.1. Ensuring effective performance reporting and use of Key Performance Indicators will help the IJB deliver on all strategic priorities as identified in its strategic plan.

6. Management of Risk

- 6.1. **Identified risks(s):** The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are as detailed in the resultant report.
- 6.2. **Link to risks on strategic risk register:** There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and projects an overspend.
- 6.3. **How might the content of this report impact or mitigate these risks:** Where risks have been identified during the Internal Audit process, recommendations have been made to management in order to mitigate these risks.