

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	2 December 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Internal Audit Report AC2112 – Mental Health and Substance Misuse
REPORT NUMBER	IA/AC2112
DIRECTOR	N/A
REPORT AUTHOR	Colin Harvey
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the planned Internal Audit report on Mental Health and Substance Misuse.

2. RECOMMENDATION

- 2.1 It is recommended that the Committee review, discuss and comment on the issues raised within this report and the attached appendix.

3. BACKGROUND / MAIN ISSUES

- 3.1 Internal Audit has completed the attached report which relates to an audit of Mental Health and Substance Misuse.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

- 6.1 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 attached appendix.

7. OUTCOMES

- 7.1 There are no direct impacts, as a result of this report, in relation to the Council Delivery Plan, or the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.
- 7.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	An assessment is not required because the reason for this report is for Committee to review, discuss and comment on the outcome of an internal audit. As a result, there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
Privacy Impact Assessment	Not required

9. APPENDICES

- 9.1 Internal Audit report AC2112 – Mental Health and Substance Misuse.

10. REPORT AUTHOR DETAILS

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Internal Audit Report

Aberdeen City Health & Social Care Partnership

Mental Health and Substance Misuse

Issued to:

Sandra MacLeod, Chief Officer, Aberdeen City Health & Social Care Partnership
Alex Stephen, Chief Finance Officer, Aberdeen City Health & Social Care Partnership
Kevin Dawson, Head of Mental Health and Learning Disabilities (NHS Grampian)
Claire Wilson, Lead Social Work Officer
Jonathan Belford, Chief Officer – Finance
Fraser Bell, Chief Officer - Governance
External Audit

EXECUTIVE SUMMARY

Background

The Mental Health and Substance Misuse (MHSM) Social Work team supports a variety of service users with a variety of needs. When a person applies to get care or support, an assessment is carried out and a support plan is agreed between them or their representative and a Practitioner stating what they would like to be able to do/achieve with the assistance provided by the Council, either through providing the support or providing the funds under Self Directed Support (SDS) to obtain appropriate support.

The Social Work Mental Health and Substance Misuse Team spent a total of £9 million in financial year 2020/21. This included £8.94 million paid to 63 external providers and £0.06 million direct to 17 service users. £7.43 million related to mental health and £1.57 million for addictions/dependency.

Objective

The objective of this audit was to provide assurance that appropriate processes are in place to manage and record support arrangements and that expenditure is adequately controlled, including approval / management of discretionary support. This involved review of a sample of service users' records and ensuring appropriate procedures were followed regarding support arrangements, and funding provided.

Assurance

While requiring some legislation updates the Partnership has written procedures covering the assessment process and recording on the care management system.

The Partnership's process of assessing client needs and subsequent referral to the appropriate support package is carried out by qualified staff at the appropriate level. Approval of these packages is governed by the Adult Services Resource Allocation Panel (RAP) which provides a good segregation of duties between those assessing and approving expenditure. During the pandemic the panel did not meet, and the approval process was delegated to Service Managers. While this was appropriate to provide ongoing client support, the terms of reference covering the RAP did not fully support his level of delegation. Testing did not find any packages allocated during this period to be inappropriate in terms of client need.

Findings and Recommendations

The Partnership's written procedures were last updated in 2009, since then legislation covering self directed support and data protection have changed along with the formation of the Health and Social Care Partnership. A recommendation graded as Important within audited area was made that the Service should review its policies and procedures to ensure they are up to date.

2 of 12 service users had no record of the required annual review being undertaken. Annual reviews should be undertaken and documented to ensure service users' care arrangements remain appropriate and any changes are made timeously. The remaining reviews were not recorded in a consistent manner within the care management system. Review data was recorded either within assessments, activities, or in an observations field. It is important that details are recorded consistently to ensure the care management process has been followed. This is particularly important in the event of changes in care staff. A recommendation graded as Significant within audited area was made that the Partnership should ensure that reviews are completed in line with service requirements and are consistently documented.

Clients can be referred to employment skills and experience support to help rehabilitate them back into the work place; this is provided through a third sector commissioned service. Once on this path the review process should be undertaken by the provider, and no ongoing review is undertaken by the Partnership. Testing found clients who had been on this path since 2016. Without a Partnership review there may be a risk of continuing to provide services that are no longer required or achieving the originally assessed outcomes. A recommendation graded as Significant within audited area was made that the Partnership should implement periodic review of service users assigned to employment skills and experience.

The Service has noted that due to Covid, the Resource Allocation Panel (RAP) was suspended between March 2020 and August 2021 and as such all plans in this period had been approved by Service Managers. While the RAP terms of reference note the ability of Service Managers to approve care plans in urgent situations between the normal fortnightly RAP meeting schedule it does not explicitly cover cases where the panel does not meet. Also, while the terms provide for a level of delegation in such situations these financial levels were exceeded during this period. A recommendation graded as Significant within audited area was made that the Partnership should ensure all expenditure is approved and reviewed at the appropriate level.

Management Response

The Service has highlighted that Covid 19 has impacted on the urgency and nature of new and ongoing care provision, however acknowledges the audit findings and has agreed to implement actions in response. The written procedures will be updated as part of the roll out of the new D365 system which will include procedures on recording data along with updated paperwork to reflect legislation and Partnership working. The Employment Skills and Development Contract is under review and the requirement for reviews has already been highlighted to the providers. The providers are undertaking to move people on, where appropriate to the service users' needs. Although not documented, an approval process commensurate with Officers work remits and seniority was undertaken during the pandemic, including liaising with the Chief Finance Officer for higher value packages. As these officers normally form the RAP, packages approved during that period will not be submitted for retrospective approval. The RAP terms will be reviewed to ensure they provide sufficient scope to deal with any future situation.

1. INTRODUCTION

- 1.1 The Mental Health and Substance Misuse (MHSM) Social Work team supports a variety of service users with a variety of needs. When a person applies to get care or support, an assessment is carried out and a support plan is agreed between them or their representative and a Practitioner stating what they would like to be able to do/achieve with the assistance provided by the Council, either through providing the support or providing the funds (under Self Directed Support (SDS) to obtain appropriate support.
- 1.2 The Social Work Mental Health and Substance Abuse Team spent a total of £9 million in financial year 2020/21. This included £8.94 million paid to 63 external providers and £0.06 million direct to 17 service users. £7.43 million related to mental health and £1.57 million for addictions/dependency.
- 1.3 The objective of this audit was to provide assurance that appropriate processes are in place to manage and record support arrangements and that expenditure is adequately controlled, including approval / management of discretionary support. This involved review of a sample of service users' records and ensuring appropriate procedures were followed regarding support arrangements, and funding provided.
- 1.4 The factual accuracy of this report and action to be taken with regard to the recommendations made have been agreed with Kevin Dawson, Head of Mental Health and Learning Disabilities and Claire Wilson, Lead for Social Work.

2. FINDINGS AND RECOMMENDATIONS

2.1 Written Procedures

- 2.1.1 Written procedures are available for use of the care management system which is used in the management of service users and their support arrangements. These procedures were last updated in 2018, and remain current based on the version of the system being used. Plans to implement a new system are currently in progress.
- 2.1.2 The Care Management Procedures, Case Recording Procedures and Case Recording Policy were last updated in 2009. While the basic processes are the same there have been a number of changes in legislation, including but not limited to, legislation around self-directed support, data protection, and the formation of the Health and Social Care Partnership. The procedures will need to be reviewed to ensure all current legislation is reflected and ensuring references are made to the Aberdeen City Health and Social Care Partnership (ACHSCP) rather than to Aberdeen City Council where appropriate.

Recommendation

The Service should review policies and procedures to ensure they are up to date.

Service Response / Action

Agreed. This will be implemented as part of the roll out of the new D365 system which will include procedures on recording case data along with updated paperwork to reflect legislation and Partnership working.

Implementation Date

June 2022.

Responsible Officer

Head of Mental Health
and Learning Disabilities

Grading

Important within audited
area

2.2 Support Arrangements

- 2.2.1 When service users are first referred to the MH/SM team an assessment of need is completed to identify what support they require. At this stage a financial assessment may also take place as some social care services are means tested and require service user contributions. Service users, with the support from their social worker, are then able to select from one of the 4 Self-Directed Support options (see 2.3.1). Following this, support/care plans are agreed with the service user or the service user's representative which detail planned outcomes and how these are aimed to be achieved.
- 2.2.2 The care management system is used to record and manage these support arrangements. The Service noted that some historic records may only be available in paper files, which are currently unavailable to audit due to Covid 19 restrictions, however any agreed changes to care arrangements should be reflected on the system.
- 2.2.3 Based on the service users' needs they are referred to a relevant team: one of three Adult Mental Health teams, the Integrated Alcohol Service Social Work Team, the Integrated Drugs Service Social Work Team, the Old Age Psychiatry team or the External Employment Skills and Experience third sector commissioned providers.
- 2.2.4 Service users' files should contain: the service user's personal details, key contacts, and a summary of key events, referrals to or from other services, detailed records of all contacts with the service user, any assessments/reports, care plan/support plan, medical information, financial information including financial assessments and service agreements, records of counselling, and records of occupational therapy.

2.2.5 Following assessment and implementation of the service user's care package an initial review should take place 3 months after starting if the care is community based, or 6 weeks after admission if the service user is admitted to a care establishment. It is then anticipated that a service user's care would be reviewed at least annually, along with regular contact from Social Work.

2.2.6 A random sample of 12 service users was reviewed to ensure initial and annual reviews were being undertaken. 10 had evidence of annual reviews occurring, however the record of these reviews was not recorded in a consistent manner within the care management system. Review data was recorded either within assessments, activities, or in an observations field. For the remaining 2 cases, there was no clear record of annual reviews taking place. It is important that details are recorded consistently to ensure the care management process has been followed. This is particularly important in the event of changes in care staff. Annual reviews should be undertaken and documented to ensure the service users care arrangements remain appropriate and any changes are made timeously.

Recommendation

The Service should ensure that reviews are completed in line with service requirements and are consistently documented.

Service Response / Action

Agreed. Some care reviews were put on hold depending on the risk rating of the case so as not to put additional pressure on care homes during the pandemic. The two cases found during the audit have now been reviewed. The service will ensure reviews are all conducted within legislative time scales. Emails to relevant levels of staff to remind them of this requirement will be issued by end of October.

Implementation Date

October 2021

Responsible Officer

Head of Mental Health
and Learning Disabilities

Grading

Significant within audited
area

2.2.7 Employment skills and experience is a third sector commissioned service to which Service users can be referred by professionals within the Partnership as well as General Practitioners. Once referred to external providers it becomes the responsibility of that provider to review the progress of the individual. This framework is about to be reviewed and retendered .

2.2.8 There is no specified review process for these cases, meaning a service user may remain on these programmes indefinitely without further oversight, presenting a risk of continuing to provide services that are no longer required or achieving the originally assessed outcomes. In a sample of 5 service users, 1 had started in 2016, 3 in 2018 and 1 in 2019.

Recommendation

The Service should implement periodic review of service users assigned to employment skills and experience.

Service Response / Action

Agreed. This is being looked at under the Employment Skills and Development Contract Review and already been highlighted to the providers prior to the pandemic in meetings in 2020. They are undertaking to move people on but it is a big move for individuals.

Implementation Date

February 2022

Responsible Officer

Lead Social Work Officer/
Commissioning Manager

Grading

Significant within audited
area

2.3 Expenditure

2.3.1 Care packages are funded in different ways depending on which self-directed support (SDS) option is chosen by the service user / representative. These can be summarised as follows:

- Option 1 – Applies where the service user has the capacity to manage their budget or where a legal guardian (financial or welfare guardian or power of attorney) has been allocated this capacity. Service users or their representative are paid directly into a specific bank account set up by the Council, so the service user can choose who provides their care. Payments from the account must only be for costs agreed within the service user's care plan.
- Option 2 - Service users continue to choose and direct the support but management of the financial budget is done in partnership with the Council/service provider to administer the budget on the service users behalf. Where a service provider manages the budget they are required to set up a 3rd party Individual Service Fund (ISF). An ISF is an internal system of accounting within a service provider that makes the personal budget transparent to the individual or family. This helps provide flexible support by making the organisation accountable to the person. Service users are still in control of all the decisions relating to their care under option 2 based on their care plan.
- Option 3 - the Local Authority choose, arrange, and pay for support on behalf of the service user, this option occurs where a service user selects it, or in cases where they do not have the capacity or a delegated legal guardian who can make decisions regarding their care and support. Payments are therefore made by the Council direct to approved service providers for the agreed care plan.
- Option 4 - is a mix of any of the other options, and payments would be made as appropriate.

2.3.2 All new and reviewed care packages relating to Mental Health and Substance Misuse, under Options 1, 2, and 4 are required to be approved by the Resource Allocation Panel (RAP). The remit of the Resource Allocation Panel (RAP) is to:

- Ensure a consistent, fair and equitable approach is taken across all adult service areas on the allocation of service provision
- Create a process for collectively
 - a) Consider the submitted assessment and RAP funding request for service provision through SDS Options 1-4
 - b) Consider applications and allocation of resources
- Consider applications for external specialist, targeted support and intervention
- Agree the assessment and funding
- Where an assessment or funding is not agreed, the panel will provide clear justification and suggestions for revision where appropriate
- Identify gaps in services, unmet need and practice issues which will be escalated to the Clinical and Care Governance Group (CCG) which will link into individual service planning when required

2.3.3 The panel is chaired on a rotational basis by a Service Manager from: Older People/Physical Disability Care Management, Learning Disability or Mental Health. The panel may also be chaired by the Lead for Social Work from ACHSCP. The Panel chair is supported in decision making by a fellow Service Manager or the Lead for Social Work. Where possible the panel has representation from senior frontline staff (Senior Care

Managers, Senior Social Workers and Senior Practitioners) from each adult service area as well as from the finance and self-directed support team.

- 2.3.4 Where care is required to be delivered immediately a Service Manager can authorise the care to be commenced in the absence of an Individual Budget being set and/or approval from the RAP. Retrospective budget setting is undertaken, and retrospective approval from the RAP sought. No service user contributions are collected initially although the service user will be advised that should the financial assessment indicate that a contribution is to be made this will be collected from an agreed point: normally the point the individual is advised what the value of that contribution will be.
- 2.3.5 All new and reviewed mental health option 3 packages which are not presently block funded must come to RAP regardless of cost. Block funding is where the Council pays a service provider for capacity i.e. a set number of service users at a specific rate. The Council may choose to use all the available spaces or to leave some free, however the charge paid will be based on full take up.
- 2.3.6 The Service has noted that due to Covid, the RAP was suspended between March 2020 and August 2021 and as such all plans in this period have been approved by Service Managers. While the RAP terms of reference note the ability of Service Managers to approve care plans in emergency situations it does not explicitly cover cases where the panel does not meet. 340 service users received funded support in the financial year 2020/21. Of these, 37 had started since the RAP committee had been suspended. Sixteen of these service users had received a funded package exceeding the £150 per week limit for which a Service Manager has authority to approve under the RAP terms of reference.

Recommendation

The Service should ensure all expenditure is approved and reviewed at the appropriate level.

Service Response / Action

Agreed.

The panel began sitting again on the 12 August 2021. The packages approved during the pandemic period were a command and control response where usual processes were paused to allow emergency and urgent work to be undertaken as expediently as possible including the movement of people from the hospital to create surge capacity. The pandemic was considered an emergency situation as noted in the RAP terms of reference.

The packages implemented during the period the panel was not sitting were approved by Senior Managers who normally sit on the RAP and where the value of a package was deemed of a higher value, also discussed and agreed by the Chief Finance Officer. As the same officers will normally form the RAP it is not thought to be of any added value to present the numerous packages initiated during this period for retrospective approval.

It is recognised the current terms of reference do not cover such long term situations. The ToRs will be reviewed to ensure the approval process for care plans/packages provide enough flexibility to deal with such occurrences while still providing the required level of approval and assurance.

Implementation Date

ToR review April 2022.

Responsible Officer

Head of Mental Health
and Learning Disabilities

Grading

Significant within audited
area

- 2.3.7 Invoices from service providers are received by the processing team in Finance. Details are input into the care management system invoice screens and matched against the pre-authorised care plan. Any discrepancies should be raised with the appropriate Social Work team and dealt with as required.
- 2.3.8 A sample of payments made through the Councils creditors system was taken and tested to ensure the payment was properly approved, service agreements were in place and that these were supported by the service user's care plan at the time of payment. Invoices were requested for the samples selected and contracts to support these payments were identified. All of the payments to service providers reviewed were appropriately invoiced and related to agreed plans recorded in the care management system.
- 2.3.9 Direct Payments are made to service users using specified bank accounts for service users to direct their own care. Service users paid in this manner are noted on the ledger as suppliers using their name followed by Direct Payment in brackets. No invoices are produced for these payments as direction to make these payments comes directly through the care management system.
- 2.4 Discretionary / Negotiated Support**
- 2.4.1 Expenditure from the service user's personal budget must be used to meet their assessed outcomes. All care and support is bespoke to that service user and it is up to the service user what outcomes are most important for them to achieve each year. The Service provide guidance to service users on areas where a service user can spend their budget, areas that are expressly excluded and a set of expenditure which would require to be negotiated with their Social Worker.
- 2.4.2 All negotiated personal budget spend must be presented by the Social Worker to the RAP who will consider each case individually, using a centred, outcome focused approach. As indicated at 2.3.6 above meetings had been suspended since March 2020 but have restarted on 12 August 2021.
- 2.4.3 From a review of the expenditure processed through the Councils payment system the only discretionary payments being made relate to Section 12 referrals to Cornhill Hospital, where emergency items are required by clients. A review of a sample of 10 receipts for this area of expenditure found the supplies being purchased to be appropriate in the circumstances.

AUDITORS: C Harvey
G Flood
C Johnston

Appendix 1 – Grading of Recommendations

GRADE	DEFINITION
Major at a Corporate Level	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss, or loss of reputation, to the Council.
Major at a Service Level	<p>The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss to the Service/area audited.</p> <p>Financial Regulations have been consistently breached.</p>
Significant within audited area	<p>Addressing this issue will enhance internal controls.</p> <p>An element of control is missing or only partial in nature.</p> <p>The existence of the weakness identified has an impact on a system's adequacy and effectiveness.</p> <p>Financial Regulations have been breached.</p>
Important within audited area	Although the element of internal control is satisfactory, a control weakness was identified, the existence of the weakness, taken independently or with other findings does not impair the overall system of internal control.