

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	23 November 2017
REPORT TITLE	Internal Audit Report AC1801 – Adult Social Work Transport
REPORT NUMBER	IA/AC1801
LEAD OFFICER	David Hughes
AUTHOR	David Hughes

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the planned Internal Audit report on Adult Social Work Transport.

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 Adult Social Work Transport.

4. FINANCIAL IMPLICATIONS

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

5. LEGAL IMPLICATIONS

- 5.1 It should be noted that there are a number of recommendations within the report which require the updating of various forms, policies and contractual documentation. As part of the Council's preparations for compliance with the General Data Protection Regulation it is anticipated that the forms, policies and contractual arrangements referred to in this report may require further revision prior to implementation in May 2018.

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. IMPACT SECTION

- 7.1 **Economy** – The proposals in this report have no direct impact on the local economy.
- 7.2 **People** – There will be no differential impact, as a result of the proposals in this report, on people with protected characteristics. An equality impact 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. The proposals in this report will have no impact on improving the staff experience.
- 7.3 **Place** – The proposals in this report have no direct impact on the environment or how people friendly the place is.
- 7.4 **Technology** – The proposals in this report do not further advance technology for the improvement of public services and / or the City as a whole.

8. APPENDICES

- 8.1 Internal Audit report AC1801 – Adult Social Work Transport.

9. REPORT AUTHOR DETAILS

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ABERDEEN CITY COUNCIL

Internal Audit Report Adult Social Work Transport

Issued to:

Aberdeen City Health & Social Care Partnership

Judith Proctor, Chief Officer

Tom Cowan, Head of Operations

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Aberdeen City Council

Bernadette Marjoram, Director of Communities, Housing & Infrastructure

Eric Owens, Interim Head of Planning & Sustainable Development

Chris Cormack, Team Leader

Fraser Bell, Head of Legal and Democratic Services

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External Audit

EXECUTIVE SUMMARY

The Social Work Transport team, part of the Council's Public Transport Unit (PTU), arranges transport for Social Work service users where it is assessed as being required by Aberdeen City Health & Social Care Partnership. In 2016/17 the Service spent £246,563 on contracted transport.

The objective of this audit was to consider whether appropriate arrangements are in place to secure transportation in a cost effective and well managed way. In general this is the case, however improvements to the consistency of records maintained in support of transport provided have been recommended and agreed with the PTU and Aberdeen City Health & Social Care Partnership.

1. INTRODUCTION

- 1.1 The Social Work Transport team, part of the Council's Public Transport Unit (PTU) arranges transport for Social Work service users where it is assessed as being required by Aberdeen City Health & Social Care Partnership. In 2016/17 the Service spent £246,563 on contracted transport.
- 1.2 In-house transport is also utilised for service users, and as part of Day Centre services. This element is not separately costed and has not been reviewed as part of this audit.
- 1.3 The objective of this audit was to consider whether appropriate arrangements are in place to secure transportation in a cost effective and well managed way. The arrangements and procedures have been reviewed, and a sample of cases were checked for compliance.
- 1.4 The factual accuracy of this report and action to be taken with regard to the recommendations made have been agreed with Chris Cormack, Public Transport Unit (PTU) Team Leader, and Emma Ross and Katharine Paton, Service Managers within Aberdeen City Health & Social Care Partnership (ACH&SCP).

2. FINDINGS AND RECOMMENDATIONS

2.1 Written Procedures

- 2.1.1 Comprehensive written procedures which are easily accessible by all members of staff can reduce the risk of errors and inconsistency. They are beneficial for the training of current and new employees and provide management with assurance of correct and consistent practices being followed, especially in the event of an experienced employee being absent or leaving.
- 2.1.2 There are a number of procedures in place regarding booking and recording transport provision. These are generally comprehensive and adequate for the purpose.
- 2.1.3 The Service Level Agreement between Children's Social Work and the PTU expired in April 2006. There is no Service Level Agreement for ACH&SCP. A Service Level Agreement would provide clear guidelines as to what is expected of each Service and reduce the risk of misinterpretation of their roles and requirements.

Recommendation

ACH&SCP and PTU should develop a Service Level Agreement.

Service Response / Action

Agreed. Partnership Managers and the PTU will develop a Service Level Agreement.

Implementation Date

June 2018

Responsible Officer

Service Managers
(LD&PD) ACH&SCP /
Public Transport Team
Leader

Grading

Important within audited
area

2.2 Travel Arrangements

- 2.2.1 A policy for the eligibility and assessment for Social Care service users receiving Council arranged transport for children, young people and adults was agreed by the Policy and Strategy Committee in December 2007. Within this it was intended that the Council would minimise costs where possible, and reduce dependence on transport, including that: free transport should only be provided if there is either a statutory or assessed and recorded requirement to do so; and those in receipt of Higher Disability Living Allowance with the Mobility Component may be charged for transport.
- 2.2.2 The PTU has pursued a cost minimisation approach by introducing framework agreements, regular competitive tendering exercises within these, and seeking to maximise utilisation of each transport service by determining whether it is more cost effective for existing services to be varied to accommodate additional service users.
- 2.2.3 Documentation in respect of transport is provided to and retained by the PTU, in the form of Eligibility forms and Transport Request forms – which demonstrate consideration of ability to travel, and authorisation of service users' travel arrangements. However, revisions to eligibility criteria, and charges for transport services where appropriate, as set out in the agreed policy were never fully implemented.
- 2.2.4 Details of service users' needs and requirements are held separately in Social Work files. Copies of care plans were requested from the Learning Disability Care Management Team to determine whether transport needs had been clearly indicated. The Team elected to redact information from these prior to release to Internal Audit as it considered that the information related to other aspects of care and support for the selected individuals. A

review of these redacted extracts highlighted that the content varies, and whilst other support needs were evident not all of them clearly indicated a requirement for separately arranged transport. In 4 of 11 cases reviewed paperwork suggested that service users might potentially have been able to travel on public transport instead of a separately arranged taxi, but this was not used. A further 5 care plans requested were not available for review. Service Managers have stated that although these cases may not have explicitly noted the requirement for arranged transport, Service policy and eligibility criteria mean that only cases with high level needs would be eligible for care, and implicit in meeting these needs and outcomes may be a requirement for transport to enable the individuals to access a service.

- 2.2.5 ACH&SCP noted that travel training is available where appropriate, but most of the individuals who are in receipt of a service from the LD or Older Peoples teams have very high and complex needs and would therefore not be able to engage with this form of training. However consideration of this was not included in the files reviewed. This could present better outcomes for service users' independence, and transport expenditure, if public transport is suitable and available for the required routes.

<u>Recommendation</u>		
ACH&SCP should implement or review the policy for arrangement of transport for service users.		
<u>Service Response / Action</u>		
Agreed. The eligibility criteria for social care service provision is generally limited to those with profound (moderate to severe) needs, which typically includes a need for transport. The findings of Internal Audit therefore reflect inconsistent presentation within case files rather than service provision in excess of requirements. The Service will review current protocols and practice to identify areas which could be improved and promote consistency of records.		
<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
March 2018	Service Managers (LD&PD) ACH&SCP	Significant within audited area

- 2.2.6 Eligibility forms need to be updated annually unless circumstances change in the interim, or an earlier expiry date has been set. Expiry dates are transposed onto a spreadsheet held by PTU. In 2 cases the dates were different. PTU has noted that although expired forms are pursued, services would not be suspended pending their receipt unless agreed with ACH&SCP.
- 2.2.7 In each of 16 cases examined an eligibility form was in place covering the relevant period, however the quality of completion of these forms varied. In 7 cases the service user's age was incorrect, and in 1 case the Surname was incorrect. These minor errors did not impact on service provision. In 13 cases the 'approved until' date was omitted, although in such cases it is reasonable to assume that the approval expires after 12 months.
- 2.2.8 In 2 cases the Children's version of the form was used for Adults. The format of the forms is virtually identical, and they are both headed with the same title, making it difficult to distinguish between them – though the required elements and questions posed are different. Reviewing the format and content of the forms, or combining them into a single form, could improve efficiency and accuracy.

Recommendation

The PTU should review the eligibility for transport forms.

Service Response / Action

Agreed. All forms have been redesigned and updated in line with recommendations and are operational.

Implementation Date

Implemented

Responsible Officer

Public Transport Team
Technical Officer

Grading

Important within audited
area

2.2.9 12 of 16 Transport Request forms were not fully completed by ACH&SCP, however the PTU has stated that this information is no longer required. There was also 1 instance where the wrong CareFirst ID was used by ACH&SCP and 3 instances where a Transport Request form for children was used instead of the Adults version. One form had been destroyed after being archived and therefore could not be located (in line with the Council’s record management and data protection). An up to date replacement has since been completed.

2.2.10 The forms evidence the authorisation process and audit trail of events. It is important that they are completed fully and accurately by ACH&SCP staff in order to ensure that the correct service is provided at the correct time, and to ensure that only the services required are paid for.

Recommendation

The PTU should review the Transport Request form to ensure only required data is requested.

ACH&SCP should ensure all Transport forms are completed fully and accurately.

Service Response / Action

Agreed. All forms have been redesigned and updated in line with recommendations and are operational.

Service Managers (LD&PD) will meet with the PTU to review the new forms, and thereafter will reinforce the importance of using the correct forms to all care teams.

Implementation Date

Implemented

Responsible Officer

Public Transport Team
Technical Officer

Grading

Important within audited
area

January 2018

Service Managers
(LD&PD) ACH&SCP

2.2.11 The Data Protection Act requires consent from individuals to process their sensitive personal information, including transferring it to others for provision of services. Personal data relating to individuals needs is regularly provided to the PTU on eligibility and transport request forms and thereafter some of this data is provided to the transport operator. This consent is not specifically recorded on the forms. Operators are however required under contract to comply with the Act and the Council’s Data Protection Policy and ensure drivers are appropriately registered with the PVG scheme and have approval from the PTU to be utilised providing some assurance over use of this data.

Recommendation

ACH&SCP and PTU should ensure consent to provide personal data to operators has been obtained from each service user.

Service Response / Action

Agreed. The Services will review and if required amend practice.

Implementation Date

March 2018

Responsible Officer

Service Managers
(LD&PD) ACH&SCP

Grading

Significant within audited
area

2.2.12 Although there is an option to do so, ACH&SCP does not typically record arrangements made for transport on CareFirst. A small number of cases were identified where details are held on CareFirst. These included instances where transport was provided by a care provider, as a supplementary service.

2.2.13 The PTU provides ACH&SCP with a spreadsheet showing the spend on a quarterly basis for each ACH&SCP team. In addition the PTU provides six monthly reports with details of costs/spend broken down per service user, however this is an approximation as services are shared and is a snapshot at the point it is made. Internal Audit's review of this data identified anomalies in the calculated number of journeys. Although these had no impact on the actual arrangements and amounts paid, it appears that this does not provide a way for ACH&SCP to determine whether the arrangements in place are as required. Social Workers would need to rely on observation and review of service users' care delivery, rather than their own system or PTU records.

Recommendation

ACH&SCP should consider using CareFirst for recording all service user transport.

PTU and ACH&SCP should regularly share and reconcile their data on service user transport to ensure arrangements are in place as agreed.

Service Response / Action

Agreed. Forms are available for use on CareFirst. Quality assurance checks on files and CareFirst records will be updated to include checks that this is being done.

PTU will agree with ACH&SCP what additional data to that already provided, if any, will be required once Care First is being fully utilised.

Implementation Date

January 2018

Responsible Officer

Service Managers
(LD&PD) ACH&SCP;
Public Transport Team
Technical Officer

Grading

Significant within audited
area

2.2.14 Spreadsheets are used by the PTU to schedule, monitor and control travel arrangements through to matching invoices against services received before they are authorised and sent to Accounts Payable for payment. Matching invoices can be complex due to changes and variations in costs due to contract, route and service user changes. The process appears robust and procedures for its operation are clear. No errors were identified in the sample of 16 payments reviewed. However, manual updates to multiple records could be inefficient, and presents an increased risk of error.

Recommendation

The PTU should review the efficiency of the current process for recording travel arrangements.

Service Response / Action

Agreed. All systems in use will be reviewed in line with the ongoing Planning & Sustainable Development service review and in line with the Council's Transformation and drive towards greater use of IT, along with associated considerations in terms of financial and staff resources being available for introduction of any revised system.

Implementation Date

July 2018

Responsible Officer

Public Transport Team
Leader

Grading

Important within audited
area

- 2.2.15 The PTU was unable to fully reconcile all taxi payments charged against Social Work transport budget codes with the value of payments recorded in their own system. The differences were minor, and included 2 cases where a taxi had been booked and paid for directly by ACH&SCP, and others where transport had been arranged as part of a care package instead of separately via a transport provider. Whilst the differences were small, it is important that all travel arrangements are notified to the PTU (even if they do not directly arrange them) in order to provide assurance that best value is being obtained.

Recommendation

ACH&SCP should ensure all travel arrangements are notified to the PTU.

Service Response / Action

Agreed. Service Managers will remind staff of this requirement.

Implementation Date

January 2018

Responsible Officer

Service Managers
(LD&PD) ACH&SCP

Grading

Important within audited
area

2.3 Contracts

- 2.3.1 In September 2015 the PTU obtained approval from the Finance, Policy and Resources Committee to tender for a framework agreement for school and Social Work transport from 2016 for two years, with a possible one year extension and with call-off contracts stemming from the Framework being awarded for up to 4 years. Companies intending to bid for transport contracts were required in the first instance to meet the requirements of, and sign up to, the framework terms and conditions.
- 2.3.2 Contracts can thereafter be called off directly at rates agreed in the framework for ad-hoc or emergency transport, or subject to seeking competitive quotations from providers within the framework for routine travel requirements.
- 2.3.3 The original framework was tendered and awarded via the Public Contracts Scotland (PCS) website, which provides assurance over tender opening controls and compliance with Procurement Regulations. However, although a Quick Quotes section of this system is available for the purpose, this is not being used to obtain competitive quotations from within the framework thereafter. A manual system based on email returns from providers presents additional risks to accuracy and transparency of the decision making process.

Recommendation

The PTU should use the PCS Quick Quotes system for obtaining competitive tenders within the framework.

Service Response / Action

Agreed. This will be implemented at the commencement of the next Framework Agreement to ensure consistency and prepare service providers, some of which still have limited ICT capabilities.

Implementation Date

April 2019

Responsible Officer

Public Transport Team
Leader

Grading

Significant within audited
area

- 2.3.4 The PTU was able to evidence that the best value transport arrangements had been put in place through obtaining competitive quotations or use of the lowest ad-hoc rates. In one instance however, the first two ranked competitive bids were not available due to the operators being fully committed under other awarded contracts, and the third was considered excessive. Therefore, rather than awarding to the 3rd ranked bidder under Competed Services at high cost, the PTU combined two contracts and awarded this to their top ranked supplier (which had not bid for these contracts) under Standard Services. Although this provided a cost saving and is permissible under the Terms and Conditions of Contract (as there is no requirement to award any contract), it means there is less transparent competition between providers than set out in the framework as the combined contract was not opened up again through Competed Services for a year. There is a risk that awarding contracts in this manner could be subject to legal challenge from the other providers who had indicated an interest by submitting bids. Advice should therefore be sought from Commercial and Procurement Services (CPS) before considering doing so.

Recommendation

The PTU should seek CPS advice on awarding contracts where initial bids are unsatisfactory.

Service Response / Action

Agreed. The PTU already utilise CPS for all tendering and seek advice where required, and will continue doing so.

Implementation Date

Implemented

Responsible Officer

Public Transport Team
Leader

Grading

Significant within audited
area

- 2.3.5 The providers selected are sent an award letter and specification for the specific contracts awarded. The letter refers to the framework and specification, these are signed and witnessed by the Contractor and then signed on behalf of the Council becoming a legally binding contract.
- 2.3.6 The Head of Legal and Democratic Services has given written approval to the Team Leader of the PTU and 2 Technical Officers named to sign the call off contracts, bookings and order forms, up to a total contract value of £60,000. Above this level the contract must be signed by the Head of Legal and Democratic Services or Legal Manager. This authority has been further delegated to Proper Officers, including the Head of Commercial & Procurement Services and the Team Leader of the Legal Team within that Service.
- 2.3.7 In 6 of 16 cases reviewed the PTU had, at the date of the audit, not passed the order form to the Legal Team for signing where the contract was over £60,000.

- 2.3.8 It was identified that in 7 of the 16 cases (including 1 of the 6 above) an Acting Technical Officer was signing the order forms for standard services and call off terms and conditions. However, this officer did not have recorded delegated authority to do so. The PTU stated that the officer does have an appropriate level of financial delegated authority, however this relates to the approval of invoices only – not entering into contracts on behalf of the Council.
- 2.3.9 There were 7 Framework Agreements (covering 15 of the 16 cases reviewed) signed by Council solicitors within the Commercial & Procurement Services Legal Team on the day they were produced to Internal Audit, one year after the Service had commenced.
- 2.3.10 The Framework Agreements, the order forms and call off terms and conditions for completed services are legally binding documents when signed by all parties. Therefore it is imperative that these are correct and signed promptly, in advance of the commencement of services, by an authorised person. Without completed documentation it may be difficult to enforce the contract terms in the event of a dispute.

Recommendation

The PTU and the Legal Team within Commercial & Procurement Services should ensure all contractual agreements are signed promptly by an appropriate officer.

Service Response / Action

Agreed. All outstanding forms have been signed accordingly as such this element has been actioned.

PTU will ensure all Framework Agreements are with the Legal Team in advance of the Framework starting. It is not possible to have Order Forms signed in all cases in advance of transport starting due to the demand nature of transport being implemented and the need for a physical signature. If an electronic signature was to be permissible then this would allow signing prior to transport starting and this will be taken forward with the Legal Team in the hope it can be included in future Framework Agreements.

Implementation Date

April 2018

Responsible Officer

Public Transport Team
Leader

Grading

Significant within audited
area

AUDITORS: D Hughes
C Harvey
J Galloway

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.