



## Audit and Performance Systems Committee

<b>Report Title</b>	Internal Audit – Financial Assessments
<b>Lead Officer</b>	David Hughes, Chief Internal Auditor
<b>Report Author (Job Title, Organisation)</b>	David Hughes, Chief Internal Auditor
<b>Report Number</b>	HSCP.18.025
<b>Date of Report</b>	15 March 2018
<b>Date of Meeting</b>	10 April 2018

### 1: Purpose of the Report

A protocol was agreed by the Audit and Performance Systems Committee and Aberdeen City Council's Audit, Risk and Scrutiny Committee regarding sharing the outcomes from Internal Audit work undertaken in the respective organisations following consideration of the outcomes by the "lead" Committee.

The purpose of this report is to present the outcome from the planned audit of Financial Assessments that was included in the 2017/18 Internal Audit Plan for Aberdeen City Council. The Internal Audit report was considered by the Aberdeen City Council Audit, Risk and Scrutiny Committee in February 2018.

### 2: Summary of Key Information

Under Social Work legislation there is an option for the Council to charge adult users of Non-Residential social work services for services provided. These services include care and support, housing support, warden charges, community alarms and day care. A charging policy is in operation, based on the ability of the service user to pay, as determined by a financial assessment of their income, capital, and specified outgoings, completed by a dedicated Support Team within Finance.

Similarly, service users who require full time residential care are assessed on their ability to pay (typically weekly Care Home fees) through an examination of their weekly income and any capital held, which can also include ownership of property.

The objective of this audit was to consider whether adequate arrangements are in place across the Service to undertake financial assessments in an accurate and efficient manner. In general this is the case, however application forms are not all being fully completed, and supporting evidence is not always being obtained and passed to Finance promptly by Care Managers, retained, and challenged where



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appropriate. Finance already completes interim assessments and has agreed to implement additional checks and retain evidence that these have been completed. An escalation process will be developed with Care Managers for cases where there are delays in obtaining full information.

Although a notional income from service users' capital assets (excluding their main residence) is included in the Non-Residential financial assessment and charging policy, the Service relies on applicants volunteering information on the value of their assets rather than seeking independent confirmation as is the case for Residential charging which falls under separate legislation – though in some cases these had also not been verified as bank mandates had expired prior to assessments being completed. As a result if this information is not volunteered those with capital in excess of the relevant thresholds may not be subject to the appropriate charges as set out in the charging policy. The Service will review the local policy to determine the best way of dealing with this.

DWP benefit rates and personal allowances to be factored into financial assessments are updated annually each April, however these are not automatically updated on the system as variations in service users' circumstances cannot be adequately reflected without manual intervention. Whilst this ensures greater accuracy there have been delays in processing changes, which will have to be backdated. The Service plans to bring assessments up to date prior to further changes planned for phased implementation from October 2018.

### 3: Equalities, Financial, Workforce and Other Implications

**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.

**Financial** – There are no financial implications arising directly from this report.

**Workforce** – There are no workforce implications arising directly from this report.

**Other** – There are no other implications arising directly from this report.



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### 4: Management of Risk

**Identified risk(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.

**How might the content of this report impact or mitigate the known risks:** Where risks have been identified during the Internal Audit process, recommendations have been made to management in order to mitigate these risks.

### 5: Recommendations

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