

# Internal Audit of Support Budgets & Direct Payments

Second Follow Up Review

## Purpose & Background Information

Our original review of Support Budgets & Direct Payments was completed in August 2019 giving a low assurance rating because of the major risks/issues raised, e.g. robustness of the monitoring processes, and the accessibility and consistency of key information held. The first follow-up review, concluded in April 2021, reflected that due to the impact of Covid-19 and the pressures affecting the service, some major risk actions were still outstanding, therefore the assurance rating increased to medium. A second follow up review was carried out during August 2021 to ascertain progress.

It should be noted that the updated opinion is based on the assumption that systems and controls as previously identified during the original audit remain in operation and are being complied with in practice. The purpose of our follow up exercise is not to retest the operation of controls which have already been assessed, but to review how management has responded to the action plans following our initial work.

## Audit Opinion

There have been delays in progressing with some of the outstanding actions due to the ongoing impact of Covid-19 and resulting pressures that have been put on the service. Despite this, we are satisfied that sufficient progress is being made with the remaining actions. These actions are:

- Documented guidance being finalised to assist staff.
- Missing' CIS identifiers on PARIS have been identified. Process to add CIS identifier on PARIS will be incorporated in the FAO Team practices.
- Quality assurance tool to check recording practices.

Based on the results of our second follow up review, we provide a medium assurance rating.

## Assurance Rating

Audit Opinion	Rating
At Final Report	Low ●
At First Follow Up	Medium ●
At Second Follow Up	Medium ●

# Support Budgets & Direct Payments Follow Up

## Progress with Implementing Agreed Actions

Action Risk Rating	Actions Fully Implemented	Actions Not Implemented	Actions Not Yet Due
Critical ●	0	0	0
Major ●	16	2	0
Moderate ●	8	2	0

Ref	Original Agreed Action	Original Issue & Risk	Manager Responsible & Target Date	Follow Up Status and Comments
1.1	Reviewed welcome pack and changed stated retention period to 7 years.	Clearer documented guidance on support budgets and direct payments is needed. Without this, it could mean that staff are not clear of their duties and carry out processes inconsistently, which could lead to non-compliance with legislation.  Moderate Risk ●	Team Manager (Client Services)  Complete	<b>Completed</b>  The welcome pack has been updated to amend the retention period to seven years.

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1.2	Complete support budget/direct payment guidance review and finalise to ensure staff have a clear understanding of their roles and responsibilities.	Clearer documented guidance on support budgets and direct payments is needed. Without this, it could mean that staff are not clear of their duties and carry out processes inconsistently, which could lead to non-compliance with legislation.  Moderate Risk ●	Principal Manager (Operational Services)/ Quality & Policy Officer  29/11/2019	<b>In Progress - Revised Date 31/10/2021</b>  The documented guidance for staff is being drafted, but progress with finalising the document has been impacted by Covid-19 and other priorities.
1.3	Training on revised support budget/direct payment guidance to be delivered to all CSS operational staff.	Clearer documented guidance on support budgets and direct payments is needed. Without this, it could mean that staff are not clear of their duties and carry out processes inconsistently, which could lead to non-compliance with legislation.  Moderate Risk ●	Principal Manager (Operational Services)/ Team Manager (Business Support)  20/12/2019	<b>In Progress - Revised Date 31/10/2021</b>  Once the documented guidance for operational staff has been finalised, power hour sessions will be held for staff.
2.1	New Mental Capacity assessment document and training implemented.	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that	Team Manager (North Locality)  Complete	<b>Completed</b>  The new mental capacity assessment templates are in place. The Team Manager

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		monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●		(North Locality) has completed training for staff on its use.
2.2	We have already put processes in place for all operational team administration officers to attach financial paperwork into the Legal documents section (this is a relatively new section of PARIS and previously information could have been held in case notes). We are also encouraging lead practitioners to provide scanned rather than paper copies of key documentation.	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●	Team Manager (Client Services)  31/12/2019	<b>Completed</b>  The Team Manager (Client Services) confirmed it is standard practice to scan documents and attach into the Legal documents section of PARIS.  There were positive results overall in our sample testing, with three out of five cases having the required financial paperwork saved into the Legal documents section. Legitimate reasons were provided for the exceptions, e.g. paper copy held in the office and will be scanned in next time an employee is in the office.

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2.3	Revised assessment document being developed in PARIS to better capture key information.	<p>Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.</p> <p>Major Risk ●</p>	<p>Team Manager (North Locality)/ ICT Business Partner (CSS)</p> <p>20/12/2019</p>	<p><b>Completed</b></p> <p>Various temporary forms have been used by staff during the Covid-19 pandemic in line with the Coronavirus Act.</p> <p>However, a new assessment form was designed and implemented from October 2020 to provide consistency. The form is attached into PARIS when completed and this means that no system reporting of assessments can be carried out. The Service is pursuing a new system when the current contract ends in 2023, so no further time is being spent redesigning the current system to suit the Service's needs.</p>
2.4	Training on new assessment document to be delivered to all CSS operational staff.	<p>Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out</p>	<p>Team Manager (North Locality)/ Team Manager (Business Support)</p> <p>31/03/2020</p>	<p><b>Completed</b></p> <p>Training on the use of the new assessment document has been delivered to all key staff.</p>

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		in some areas as the information cannot easily be reported on.  Major Risk ●		
2.5	'Missing' CIS identifiers on PARIS have been identified for current Direct Payment recipients. A piece of work will be completed to record these on PARIS. Process to add CIS identifier on PARIS will be incorporated in the FAO Team practices.	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●	Team Manager (Client Services)  30/09/2019	<b>In Progress - Revised Date 31/10/2021</b>  Cases were reviewed again for both Community Support Services (CSS) and Education & Children's Services following the first follow-up review. Our testing during this review identified that 18% of citizens in receipt of direct payment or a support budget did not have a CIS number recorded. This is an increase from our first follow-up (11% citizens in receipt of direct payment or a support budget did not have a CIS number recorded).  Further work to be carried out.
2.6	Regular monthly catch up meetings have been implemented between finance	Key management information held for support budgets and direct payments is not robust as	Team Manager (Client Services)/ Principal	<b>Completed</b>

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	<p>officers and the Team Manager, Client Services to look at budget recording and to identify processes to improve this. This will be tied into the development of a Direct Payment spreadsheet incorporating two new detail codes for third party and self-managed support budgets. Finance will transfer these transactions with effect from 1 April 2019.</p>	<p>it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.</p> <p>Major Risk ●</p>	<p>Finance &amp; Assurance Officer</p> <p>31/12/2019</p>	<p>There were regular catch ups last year to improve the process, and to assist with the implementation of prepayment cards. Two new detail codes have been set up, but not yet implemented, on the ledger for third party support budgets and direct payments. Additionally, the citizen's name is recorded on the ledger so payments can easily be traced. Local authority support budgets could be coded to various codes within the general ledger, but this is due to the limited functionality of the current payment system used. This makes it difficult to determine the true cost of support budgets and direct payments for the council. An alternative system is being pursued.</p>
2.7	<p>Implementation of regular Team &amp; Service Manager casefile audits to improve recording practice and ensure</p>	<p>Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly</p>	<p>Service Manager (Specialist Services)/ Service Manager (Localities)</p>	<p><b>In Progress - Revised Date 31/10/2021</b></p>



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	adherence to process (including authorisations).	or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●	20/12/2019	The new process includes an additional template for carrying out casefile audits, however this has not yet been implemented because of other priorities as a result of Covid-19 implications.  Casefile Audit now delayed until October 2021.
2.8	Implementation of pre-payment cards for new and existing direct payment recipients. This has already been scoped including a separate payment method.	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●	Principal Manager (Operational Services)/ Team Manager (Client Services)  In Progress	<b>Complete</b>  The service user guide has now been finalised but is awaiting translation before sharing publicly with service users, online and via email.  Uptake of the pre-paid cards are still low due to the low take up of direct payments during the Covid-19 pandemic, with 17 adults and parents/carers of 3 children using pre-paid cards (also uptake of 20 pre-paid cards for children leaving care).  Initially, it was difficult to monitor the payments made via the pre-paid cards, however the pre-

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				paid guidance has been re-drafted to include details of how to upload receipts into the portal to evidence the payments that have been made.
2.9	Team Managers are auditing their team's unauthorised ICSPs and ensuring they are all either authorised, closed or cancelled.	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the information cannot easily be reported on.  Major Risk ●	All Operational Team Managers  31/10/2019	<b>Completed</b> The Principal Manager (Operational Services) confirmed that a check had been completed as part of a data cleansing exercise, and all Integrated Care and Support Plans (ICSPs) have been closed where required. A PARIS report has been designed to allow managers to monitor this going forward.
2.10	Implementation of regular case file audits to monitor effectiveness of actions listed in this report (this action cannot be implemented until changes to PARIS are complete and associated training delivered).	Key management information held for support budgets and direct payments is not robust as it is either recorded incorrectly or inconsistently, or not easily accessible. This has meant that monitoring cannot be carried out in some areas as the	Service Manager (Localities)/ All Operational Team Managers  31/01/2020	<b>Closed</b> See action 2.7.

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		information cannot easily be reported on.  Major Risk ●		
3.1	Values contained within the RAS have been updated and agreed to reflect 2019 costs.	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Principal Manager (Operational Services)/ Principal Finance & Assurance Officer  Complete	<b>Completed</b>  The values contained within the Resource Allocation System (RAS) were updated to reflect 2019 costs at the conclusion of our original review. However, they have not been updated since to reflect 2020 or 2021 costs, which the Principal Manager (Operational Services) will discuss with the Principal Finance & Assurance Officer.  The use of RAS to calculate support budgets or direct payments is optional, as all costings for cases are approved by a peer forum.
3.2	RAS is now an optional tool with responsibility for determining value of support budgets being assumed by peer forums. Determining the	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.	Principal Manager (Operational Services)/ team managers	<b>Completed</b>  While the guidance for staff is currently in draft format, there is a section contained within the

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	value of support budgets will be addressed in the revised guidance and associated training.	Moderate Risk ●	Complete	document on the calculation and payment of support budgets and direct payments.
3.3	Updating and finalising of staff guidance on the role of peer forums in determining value of support budgets, and ensuring staff have a clear understanding of their roles and responsibilities (see action 1.2).	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Principal Manager (Operational Services)/ Quality & Policy Officer  29/11/2019	<b>Completed</b>  While the guidance for staff is currently in draft format, the role of peer forums in approving the costs of a care and support plan is detailed.
3.4	Training on revised support budget/direct payment guidance to be delivered to all CSS operational staff (see action 1.3).	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Principal Manager (Operational Services)/ Team Manager (Business Support)  20/12/2019	<b>Closed</b>  Duplicate action (with 1.3). Documented guidance for staff has not been finalised. Training is planned to be delivered virtually shortly.
3.5	Revised assessment document to be developed in PARIS to better capture key information (see action 2.3).	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Team Manager (North Locality)/ ICT Business Partner (CSS)  20/12/2019	<b>Completed</b>  A new assessment form was designed and implemented from October 2020 to provide consistency.

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3.6	Training on new assessment document to be delivered to all CSS operational staff (see action 2.4).	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Team Manager (North Locality)/ Team Manager (Business Support)  31/03/2020	<b>Completed</b>  Training on the use of the new assessment document has been delivered to all key staff.
3.7	Implementation of regular Team & Service Manager casefile audit to improve recording practice and ensure adherence to process (including support budget calculation) (see action 2.7).	There is a risk that direct payments may be calculated inconsistently due to a lack of clear guidance, and the original tool provided is not robust.  Moderate Risk ●	Service Manager (Specialist Services)/ Service Manager (Localities)  20/12/2019	<b>Closed</b>  Duplication with 2.7. A process has been designed but has not yet been implemented because of other priorities as a result of Covid-19. The Principal Manager (Operational Services) explained that this will be implemented as soon as it is practically possible.
4.1	Explore possibility of a revised ICSP to improve output from PARIS and enable a copy to be shared with citizens.	The process for reviewing outcomes is not robust. There is a risk that the support budget or direct payment may not be working effectively, or that payments continue after outcomes have been met.  Major Risk ●	Team Manager (North Locality)/ ICT Business Partner (CSS)  20/12/2019	<b>Complete</b>  The Service's assessment tool has been amended to prompt sharing with citizens. This has been in place since October 2020, with minor changes being made along the way.

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				<p>ICT has also amended the ICSP to record:</p> <ul style="list-style-type: none"> <li>- whether or not the citizen has been asked if they would like a copy of their plan</li> <li>- the date when the copy was sent to the citizen</li> </ul> <p>The Service assessment tool is sent by post to all citizens if requested. Any copies sent electronically is done using egress (to domiciliary care agencies a residential placements).</p>
4.2	Explore the possibility of amending PARIS to enable 'Review' alerts and reporting.	<p>The process for reviewing outcomes is not robust. There is a risk that the support budget or direct payment may not be working effectively, or that payments continue after outcomes have been met.</p> <p>Major Risk ●</p>	<p>Team Manager (North Locality)/ ICT Business Partner (CSS)</p> <p>20/12/2019</p>	<p><b>Completed</b></p> <p>The Administration team (CSS) run regular system reports to identify when outcome reviews are due to ensure that reviews are completed in line with the SSWB Act.</p>

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4.3	Reviewing improvement plan to be developed and implemented.	<p>The process for reviewing outcomes is not robust. There is a risk that the support budget or direct payment may not be working effectively, or that payments continue after outcomes have been met.</p> <p>Major Risk ●</p>	<p>Team Manager (Stepdown and Review team)/ Service Manager (Localities)</p> <p>29/11/2019</p>	<p><b>Completed</b></p> <p>A cross-check of the system was completed by the Administration team in conjunction with ICT to ensure all citizens in receipt of care and support are subject to an annual review. As part of this process, if it was identified that there was incomplete supporting documentation retained, cases were returned to the locality team so this could be resolved.</p>
4.4	Support budget/direct payment guidance to be reviewed and finalised to ensure staff have a clear understanding of their roles and responsibilities (see action 1.2).	<p>The process for reviewing outcomes is not robust. There is a risk that the support budget or direct payment may not be working effectively, or that payments continue after outcomes have been met.</p> <p>Major Risk ●</p>	<p>Principal Manager (Operational Services)/ Quality &amp; Policy Officer</p> <p>29/11/2019</p>	<p><b>Completed</b></p> <p>While the guidance for staff is currently in draft format, there is a section contained within the document on the monitoring and review process for direct payments and support budgets.</p>
4.5	Training on revised support budget/direct payment guidance to be delivered to all	The process for reviewing outcomes is not robust. There is a risk that the support budget or direct payment may not be	Principal Manager (Operational Services)/ Team Manager (Business Support)	<p><b>Closed</b></p> <p>Duplicate action (with 1.3). Documented guidance for staff</p>

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	CSS operational staff (see action 1.3).	working effectively, or that payments continue after outcomes have been met.  Major Risk ●	20/12/2019	has not been finalised. Training is planned to be delivered virtually shortly.
5.1	Implementation of pre-payment cards for new and existing direct payment recipients. This has already been scoped including a separate payment method (see action 2.8).	Implementation of pre-payment cards for new and existing direct payment recipients. This has already been scoped including a separate payment method (see action 2.8).  Major Risk ●	Principal Manager (Operational Services)/ Team Manager (Client Services)  31/03/2020	<b>Closed</b> See action 2.8.
5.2	Implementation of a Team Support Budget Monitoring spreadsheet with standardised recording across the Team.	Implementation of pre-payment cards for new and existing direct payment recipients. This has already been scoped including a separate payment method (see action 2.8).  Major Risk ●	Team Manager (Client Services)  31/12/2019	<b>Completed</b> A new spreadsheet template has been implemented to enable a standardised monitoring and recording of direct payments by the Financial Assessment Officers (FAOs).
5.3	Project to move monitoring role from all FAOs to specific FAOs, this will be part of the wider project to implement payment and monitoring of	Implementation of pre-payment cards for new and existing direct payment recipients. This has already been scoped including a separate payment method (see action 2.8).	Team Manager (Client Services)  30/09/2020	<b>Completed</b> Specific FAOs have been identified who monitor that key documentation in relation to



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	support budgets via prepaid cards solution. The financial monitoring capability of WCCIS will also be explored as part of the three year implementation project.	Major Risk ●		direct payments is kept up-to-date.  Progress with the implementation of the WCCIS project has been impacted by the Covid-19 pandemic, however, it is hoped that a business case will be submitted shortly.

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## Report Recipients

- Principal Manager (Operational Services)
- Team Manager (Client Services)
- Quality & Policy Officer
- Head of Community Support Services
- Principal Manager (Support Services)
- Corporate Director: Communities
- Strategic Planning & Performance Officer
- Scrutiny Co-ordinator
- Chair – Performance Scrutiny Committee
- Lead Member for Wellbeing and Independence
- Lead Member for Finance, Performance & Strategic Assets
- Governance & Audit Committee

## Internal Audit Team

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## Key Dates

Review commenced	August 2021
Review completed	August 2021
Reported to Governance & Audit Committee	22 September 2021
Proposed date for next follow up review	November 2021