

## NORTH YORKSHIRE COUNTY COUNCIL

## AUDIT COMMITTEE

29 SEPTEMBER 2011

INTERNAL AUDIT WORK AND RELATED INTERNAL CONTROL MATTERS  
FOR THE HEALTH AND ADULT SERVICES DIRECTORATEJoint Report of the Head of Internal Audit, Veritau Ltd  
and the Corporate Director – Health and Adult Services**1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Members of the **internal audit work** performed during the year ended 31 August 2011 for the Health and Adult Services (HAS) Directorate and to give an opinion on the systems of internal control in respect of this area.
- 1.2 To consider the **Statement of Assurance** for 2010/11 signed by the Corporate Director – Health and Adult Services.
- 1.3 To consider the **Risk Register** for the Directorate.

**2.0 BACKGROUND**

- 2.1 The Audit Committee is required to assess the quality and effectiveness of the corporate governance arrangements operating within the County Council. In relation to the HAS Directorate the Committee receives assurance through the work of the Internal Audit Service, as provided by Veritau Ltd, details of the Statement of Assurance provided by the Corporate Director, the Directorate Risk Register and the progress made to date by management to address the areas for improvement and the identified risks.
- 2.2 Accordingly there are three Appendices to this report:

**Appendix 1**

A summary of the **internal audit reports** issued in the year since the last full report, on the HAS Directorate (previously the Adult and Community Services Directorate), to the Audit Committee in September 2010. Specific attention is drawn to any Priority 1 recommendations that management have chosen not to implement.

**Appendix 2**

The relevant extract from the **Statement of Assurance** provided at the 2010/11 year end by the Corporate Director detailing the issues identified and the proposed actions to be undertaken during 2011/12.

## Appendix 3

A copy of the current **Directorate Risk Register**. The Risk Register has recently been updated to reflect the responsibilities for the new Directorate, and work is currently underway to prepare detailed action plans to mitigate the identified risks. Accordingly the risk register does not show any proposed actions at this stage.

2.3 The Risk Prioritisation System used to derive all Risk Registers across the County Council categorises risks as follows:-

- Categories 1 and 2 are high risk (RED)
- Categories 3 and 4 are medium risk (AMBER)
- Categories 5 and 6 are low risk (GREEN)

These categories are of course relative, not absolute assessments – equally the Risk Register at Directorate level is designed to identify the dozen or so principal risks that may impact on the achievement of performance targets etc for the Directorate as a whole in the year – it is not a full Register of all the Risks that are managed in the Directorate.

### 3.0 WORK DONE DURING THE YEAR ENDED 31 AUGUST 2011

3.1 Details of the work undertaken for the HAS Directorate and the outcomes of those audits are provided in **Appendix 1**.

3.2 Veritau has also been involved in a number of other areas of work in respect of the HAS directorate. These have included:

- (i) responding to a complaint received by the Chief Executive regarding the late raising of invoices by the Directorate in the Selby area. Veritau reviewed the application of the Directorate policies and procedures in Selby, and reported the findings to senior management in February 2011. The report included a number of recommendations for improvement.
- (ii) reviewing, as a critical friend, the draft Direct Payment Support Service procedures that had been prepared to address previously identified weaknesses in the process. The results of the review were reported to management in January 2011.
- (iii) carrying out a number of special investigations that have either been communicated via the Whistleblowers' hotline or have arisen from issues and concerns raised with Veritau by HAS management.

3.3 As with previous audit reports an overall opinion has been given for each of the specific systems or areas under review. The opinion given has been based on an assessment of the risks associated with any weaknesses in control identified.

3.4 The opinions used by Veritau are provided for the benefit of Members below:

High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Moderate	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

3.5 The following categories of opinion are also applied to individual actions agreed with management:

**Priority 1 (P1)** – A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.

**Priority 2 (P2)** – A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.

**Priority 3 (P3)** – The system objectives are not exposed to significant risk, but the issue merits attention by management.

3.6 It is important that agreed actions are formally followed up to ensure that they have been implemented. Veritau now formally follow up all agreed actions on a quarterly basis, taking account of the timescales previously agreed with management for implementation. **On the basis of the follow up work undertaken during the year, the Head of Internal Audit is satisfied with the progress that has been made by management to implement previously agreed actions necessary to address identified control weaknesses.**

3.7 All internal audit work undertaken by Veritau is based on an Audit Risk Assessment. Areas that are assessed as well controlled or low risk are reviewed less often and in our experience continue to be satisfactory between audits. Veritau's audit work is focussed on the higher risk areas. Veritau officers work closely with the HAS senior managers to address any areas of concern. Veritau officers also meet with the Assistant Director – Resources on a quarterly basis in order to provide an update on progress against the HAS Audit Plan and to discuss audit related matters. The scope of many audits means that a large number of processes are reviewed with many of these being found to be satisfactory or better. In a number of the audits

listed in **Appendix 1**, however, specific weaknesses were identified which need to be addressed.

#### 4.0 **AUDIT OPINION**

4.1 Veritau works to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom. In connection with reporting to Audit Committees, that guidance states that:

"The Head of Internal Audit's formal annual report to the organisation should:

- (a) include an opinion on the overall adequacy and effectiveness of the organisation's internal control environment
- (b) disclose any qualifications to that opinion
- (c) present a summary of the audit work undertaken to formulate the opinion, including reliance placed on work by other assurance bodies
- (d) draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement
- (e) compare work actually undertaken with the work that was planned and summarise the performance of the Internal Audit function against its performance measures and criteria
- (f) comment on compliance with these standards and communicate the results of the Internal Audit quality assurance programme".

4.2 The overall opinion of the Head of Internal Audit on the controls operated in the HAS Directorate is that they provide **moderate assurance**. There are no qualifications to this opinion and no reliance was placed on the work of other assurance bodies in reaching that opinion.

#### 5.0 **STATEMENT OF ASSURANCE AND DIRECTORATE RISK REGISTER**

5.1 The Chief Executive and each Corporate Director provide a **Statement of Assurance** (SoA) at the end of each financial year. In this Statement the Corporate Director identifies those items that may give rise to internal control or performance risk issues for their Directorate in the forthcoming year. These issues feed into the process that enables the Annual Governance Statement (AGS) to be prepared for the County Council as a whole.

5.2 **Appendix 2** details the items identified by the Corporate Director in May 2011 (the first two columns of the Appendix). The *Progress to date* column has been added which records management action(s) to date in this financial year.

5.3 The **Directorate Risk Register** (DRR) is the end product of a systematic process that initially identifies risks at Service Unit level and then aggregates these via a sieving process to Directorate level. A similar process sieves Directorate level risks into the Corporate Risk Register.

- 5.4 **Appendix 3** summarises the current risks identified by the Directorate. As noted in paragraph 2.2 above, management are currently developing detailed action plans to address the identified risks.
- 5.5 There is bound to be a degree of overlap between SoA issues and the Directorate Risk Register. Cross-referencing is therefore provided, where appropriate, between **Appendices 2 and 3** to assist Members consider the two documents.

6.0 **RECOMMENDATION**

- 6.1 That Members consider the information presented in this report and determine whether they are satisfied that the internal control environment operating in HAS is both adequate and effective.

MAX THOMAS  
Head of Internal Audit  
Veritau Ltd

Corporate Director – Health and Adult Services

**BACKGROUND DOCUMENTS**

Relevant Audit Reports kept by Veritau Ltd at 50 South Parade  
Contact Max Thomas 2143

Report prepared and presented by Max Thomas, Head of Internal Audit.

County Hall  
Northallerton

13 September 2011

## HEALTH AND ADULT SERVICES – FINAL AUDIT REPORTS ISSUED IN THE YEAR ENDED 31 AUGUST 2011

	<i>System/Area</i>	<i>Audit Opinion</i>	<i>Area Reviewed</i>	<i>Date Issued</i>	<i>Comments</i>	<i>Management Actions Agreed</i>
A	HAS Establishment Financial Procedures	Moderate	<p>The audit examined the financial procedures operating in six supported living establishments and eleven elderly person homes, including:</p> <ul style="list-style-type: none"> <li>• the safekeeping of service users' monies</li> <li>• staff access to service users' monies</li> <li>• in the supported living establishments, the use of house funds</li> <li>• in the supported living establishments, the use and accounting for mobility allowances</li> </ul>	19.11.10	<p>The audit found the control environment was acceptable and risks were managed in a satisfactory manner. A number of weaknesses were identified in the following areas:</p> <ul style="list-style-type: none"> <li>• the assessment and recording of service users' ability to manage their own financial affairs.</li> <li>• the financial training and support given for resource workers, and</li> <li>• the guidance and procedures available for staff</li> </ul>	<p><b>Three P2 actions were agreed with management and documented within the audit report.</b></p> <p>A review of the assessment process is to take place to ensure that it is more robust. It was agreed that an assessment should be made prior to admission to supported living and should be included in the residents' annual review. This assessment to form part of the care plan and will include a specific section covering finance.</p> <p>Appropriate guidance is being developed and will be circulated to staff.</p> <p><b>Responsible Officer: Assistant Director Adult Social Care Operations</b></p>

	<b>System/Area</b>	<b>Audit Opinion</b>	<b>Area Reviewed</b>	<b>Date Issued</b>	<b>Comments</b>	<b>Management Actions Agreed</b>
B	Charges for Residential Care	Moderate	The audit reviewed the systems and timescales for assessing service users for residential and nursing care in both County Council run homes (Part III of the National Assistance Act 1948) and those in the private sector.	17.11.10	<p>The audit found the control environment was acceptable and risks were managed in a satisfactory manner. A number of weaknesses were identified in the following areas:</p> <ul style="list-style-type: none"> <li>• the retention of evidence to prove Power of Attorney</li> <li>• the number of errors found in a sample of assessment of weekly charge forms</li> <li>• delays in signing contracts resulting in late payments to residential homes and delays in raising invoices for client contributions.</li> <li>• the accuracy of the bed returns received from some residential homes.</li> <li>• the regular updating of house valuations used for accrued debt cases, including the recognition of current values in shared equity cases.</li> </ul>	<p><b>Five P2 actions were agreed with management and documented within the audit report.</b></p> <p>It was agreed that the issues would be considered further by the General Managers' Operations and the Team Managers.</p> <p>At the time it was proposed that additional verification activity of about 10% would take place. In reality due to the implementation of SWIFT Financial System in April 2011, every financial assessment was reviewed and input into the new system.</p> <p>However, as a result of this exercise this has led to some activities being delayed such as property value reviews. The Directorate is now in a position to pick up these areas and examine how this can be automated now that the activities relating to the system implementation</p>

	<b>System/Area</b>	<b>Audit Opinion</b>	<b>Area Reviewed</b>	<b>Date Issued</b>	<b>Comments</b>	<b>Management Actions Agreed</b>
						are settling down. <b>Responsible Officer: Benefits, Assessments &amp; Charging Co-ordinator</b>
C	Brokerage [Home Care Spot Contracts]	Moderate	<p>Since this area was last audited there have been significant system changes with the introduction of the Adult Integrated System (AIS); a documentation task flow processing system.</p> <p>The objective of the audit was to ensure that the brokerage teams were complying with Brokerage Procedures.</p>	3.08.11	<p>The audit identified a number of control weaknesses in the following areas:</p> <ul style="list-style-type: none"> <li>• inadequate protection of the data recorded on Community Support Budget (CSB) spreadsheets.</li> <li>• the use of a provider not on the approved provider list.</li> <li>• delays in the submission and authorisation of Individual Service Contract and Extension/Amendment forms.</li> <li>• the failure to evidence the authorisation of some personal plans on AIS.</li> <li>• errors in the recording</li> </ul>	<p><b>Eight P2 actions were agreed with management and documented within the audit report.</b></p> <p>Best practice in the use of CSB spreadsheets has been shared.</p> <p>The Directorate is in the early stages of implementing AIS and utilising the system more fully. There have been some teething problems with the use of the system and a Service Improvement Action Plan has therefore been prepared.</p> <p><b>Responsible Officer: Assistant Director – Resources</b></p> <p>Revised procedures to authorise the one off use of providers (not on the approved list) will be introduced.</p>



	<b>System/Area</b>	<b>Audit Opinion</b>	<b>Area Reviewed</b>	<b>Date Issued</b>	<b>Comments</b>	<b>Management Actions Agreed</b>
					<p>of information on AIS</p> <ul style="list-style-type: none"> <li>operational issues and inconsistencies in the day to day use of AIS</li> </ul>	<p>Instructions have also been issued that, in all normal circumstances, only providers from the approved list will be used.</p> <p><b>Responsible Officer: Contracting, Procurement and Quality Assurance Manager</b></p>
D	Part B Exemption to OJEU Regulations	Moderate	<p>A review of the control environment for evaluating Part B exemptions and an assessment of compliance with the County Council's policies and EU procurement legislation.</p> <p>The objectives of the audit were to ensure that:</p> <ul style="list-style-type: none"> <li>a record is kept of Part B exemptions.</li> <li>the Part B exemption has been authorised.</li> </ul>	2.9.10	<p>The audit found the control environment was acceptable and risks were managed in a satisfactory manner. A number of weaknesses were identified in the following areas:</p> <ul style="list-style-type: none"> <li>no tender exercise had been undertaken for a contract valued at £693k over 3 years and there was no evidence that an exemption to Contract Procedure Rules had been sought or obtained.</li> </ul>	<p><b>Two P1 and one P2 actions were agreed with management and documented within the audit report.</b></p> <p>Guidance and procedures will be prepared to ensure that the Directorate does not breach EU procurement regulations and/or Contract Procedure Rules. Formal agreement will be sought to amend the Corporate Procurement Rules if required. As an interim measure, exceptions to Contract Procedure Rules will be sought.</p>

	<b>System/Area</b>	<b>Audit Opinion</b>	<b>Area Reviewed</b>	<b>Date Issued</b>	<b>Comments</b>	<b>Management Actions Agreed</b>
			<ul style="list-style-type: none"> <li>the Part B exemption is appropriate.</li> </ul>		<ul style="list-style-type: none"> <li>the publication of Contract Award Notices in the OJEU (although it is noted that there is conflicting advice on this requirement).</li> <li>a contract valued at &gt;£500k had not been signed in accordance with the Contract Procedure Rules.</li> </ul>	<p>OJEU Contract Award Notices will be issued, until such time as the legal position is clarified.</p> <p>Retrospective action has been taken to complete the signing of the contract in question. New monitoring arrangements will now be established to ensure that existing and future contracts are fully completed.</p> <p><b>Responsible Officer: Assistant Director Contracting, Procurement &amp; Quality Assurance</b></p>
E	Brokerage Respite Care Block Contracts	Limited	<p>The brokerage team arrange respite care packages on behalf of operational care management staff using block contracts. The proposed package has to be approved by the CSM budget holder.</p> <p>The objectives of the audit were to follow up the progress made in</p>	08.08.11	<p>A number of significant control weaknesses were found in key areas including:</p> <ul style="list-style-type: none"> <li>the lack of a consistent process and inadequate controls over the provision and invoicing of respite care via block contracts.</li> </ul>	<p><b>Two P1 and four P2 actions were identified and are documented within the audit report.</b></p> <p>There has been a general tightening up of communication between the brokerage officers and BACS staff who are responsible for issuing individual personal</p>

	<b>System/Area</b>	<b>Audit Opinion</b>	<b>Area Reviewed</b>	<b>Date Issued</b>	<b>Comments</b>	<b>Management Actions Agreed</b>
			implementing agreed actions from the last audit report issued in final on 31 March 2010.		<ul style="list-style-type: none"> <li>• inadequate checking of domiciliary care invoices leading to an increased risk that payments may be made for services that have not been provided.</li> <li>• delays in the completion of financial assessments and the raising of invoices for client contributions, increasing the risk that income may not be recovered.</li> <li>• inadequate controls in Selby to ensure that all relevant debtor invoices (for client contributions) have been raised.</li> <li>• where establishments provide respite care in both pre-paid block beds and via Individual Placement Agreement (IPA) spot contracts, the risk exists that expenditure may be duplicated if an IPA is raised in error.</li> </ul>	<p>agreements and payments and charges.</p> <p>In due course block contracts will be managed via AIS and this will automatically control the usage and relevant billing arrangements.</p> <p>In addition, the Directorate is examining the cost effectiveness of block contracts and decisions have been taken to terminate some contracts.</p> <p>Domiciliary care invoices are being sampled checked. Where there are concerns, supporting timesheets are requested and in some instances these result in amendments to payments.</p> <p><b>Responsible Officer: Assistant Director – Resources</b></p>

**EXTRACT FROM STATEMENT OF ASSURANCE PROVIDED BY THE CORPORATE DIRECTOR – HEALTH and ADULT SERVICES**

<b>AREAS FOR IMPROVEMENT IDENTIFIED BY ADULT and COMMUNITY SERVICES</b>			
	Areas for improvement	Action proposed	Progress to date (Sept 2011)
<b>A</b>	<p><b>Demand outstrips budget provision for adult social care</b></p>	<p>The Directorate has developed a resource predictive model based on nationally approved population, demographic trend analysis - Poppi &amp; Pansi. These have been used to reflect the pattern of services which could typically occur and be experienced within the County. Based on this model it is estimated that the cost could be in the order of £3m per year for the foreseeable future (an additional 500 clients). In response to this recognised pressure the County Council has provided, within its Medium Term Financial Strategy, additional budgetary provision of £3m. This will be regularly monitored to ensure it is responsive to fluctuations of price and number of people being supported and this will in turn feed into the revised budget position.</p> <p>An emerging financial challenge relate to other authorities exercising ordinary residence rights of clients</p>	<p style="text-align: center;"><b>3/5</b></p> <p>HAS received additional budget provision as part of the 2011/12 Revenue Budget to reflect the cost associated with the rising numbers and increasing support requirements. This will continue to be closely monitored to ensure costs are adequately controlled and number of people being supported.</p> <p>Performance and financial information is routinely monitored to ensure it is providing the same overall position.</p> <p>Close monitoring of the impact arising from the role out of START including the number of people no longer requiring service following START and the reduced level of ongoing support being required.</p> <p>The number of applications being made by other authorities to exercise ordinary residents rights continues to rise. HAS continues to closely monitor this situation, make counter</p>

**AREAS FOR IMPROVEMENT IDENTIFIED  
BY ADULT and COMMUNITY SERVICES**

Areas for improvement		Action proposed	DRR Ref	Progress to date (Sept 2011)
		living within the North Yorkshire boundary which results in NYCC becoming responsible for the person's care and financial liability. This is a significant risk because of the 2 large community villages within the County which provide accommodation for in excess of 150 people.		challenges where applicable but ultimately when the Secretary of State makes a determination this will result in additional financial responsibilities which need to be managed within the allocated resources.
<b>B</b>	<b>Implementation of the Change and Improvement Agenda</b>	The Directorate has an ambitious efficiency and transformational programme which seeks to drive out cost, improve the service outcomes as well as disinvesting in traditional forms of services and re-investing these resources in low level prevention, reablement and supporting people at home through the use of preventative technology such as telecare. It is an ambitious change programme set within the national context of Putting People First to transform how and where services are provided and to better meet the needs of people in the future. The changes facing the Directorate are complex and challenging and appropriate arrangements will be introduced to ensure these projects are on track and delivered.	<b>3/26</b>	<p>Monthly monitoring of the Directorates savings target takes place and is formally reported to Executive on a quarterly basis.</p> <p>Key officers within HASMB are nominated leads in the delivery of these projects.</p> <p>Depending on the scale and complexity of the projects there are different mechanisms for controlling and overseeing their delivery. For example, the Extra Care Procurement (recently approved by the Executive) which is linked to the reprovision of existing Elderly Person's Home is managed and overseen by a structured governance arrangement involving a range of senior staff within the Directorate.</p> <p>The Performance of the Directorate is monitored through the Performance Board.</p>

**AREAS FOR IMPROVEMENT IDENTIFIED  
BY ADULT and COMMUNITY SERVICES**

Areas for improvement		Action proposed	DRR Ref	Progress to date (Sept 2011)
<b>C</b>	<b>Market forces lead to increases in the price of care that cannot be contained within budgets, or threaten market disruption, and service continuity</b>	The Directorate continues to undertake negotiations and dialogue with the independent sector through the Market Development Board. This is a forum comprising representatives from the independent sector, voluntary sector, health and NYCC. In the context of personalisation and transformational programme there is, and will continue to be significant, procurement activity over the next 12 months.	<b>3/162</b>	<p>The Market Development Board continues to function well. The mix of ICG representation has broadened to encompass domiciliary providers which will add another dimension to the discussions taking place. It also more fairly represents the shift from reliance on residential provision to home based support.</p> <p>Dialogue continues with the sector to explain the changes within the care setting being increasingly more home based as well as the introduction of START. Regular performance information is shared with the sector as part of our commitment of joint working and sharing of information.</p> <p>Consultation on the North Yorkshire's vision for social care (Book 1) Adults at risk, who are eligible for social care support, is being launched. This is also accompanied by Book 2 Strategy for people with learning disabilities, Book 3 North Yorkshire County Council Market position and Book 4 North Yorkshire County Council statement on in-house provision.</p>
<b>D</b>	<b>Realise value for money within existing and new service delivery</b>	<p>In light of the challenges outlined above the Directorate has/will be -</p> <ul style="list-style-type: none"> <li>invested in developing the contracting, procurement and quality assurance function</li> <li>is developing the quality assurance arrangements for residential care</li> <li>Undertaking value for money review of day provision and funding within the voluntary sector.</li> </ul>	<b>3/26 3/32 3/168</b>	<p>The implementation of START continues, quarterly monitoring occurs and so far this is encouraging in terms of reduced reliance on services through reduced ongoing packages of care.</p> <p>The quality assurance arrangements are now in place and resourced via the contracting team. At this stage the development of a lay Assessors scheme has not been progressed.</p> <p>As a result of the savings challenge over the next 2 years all opportunities are being considered.</p> <p>Value for money reviews in respect of day provision and voluntary sector have been concluded and commissioning decisions taken in light of the resource availability and priorities.</p>

**AREAS FOR IMPROVEMENT IDENTIFIED  
BY ADULT and COMMUNITY SERVICES**

Areas for improvement	Action proposed	DRR Ref	Progress to date (Sept 2011)
			<p>In particular, in LD services work has commenced to review arrangements and placements in respect of people with complex needs. A review of people in "out of county" placements is underway. This review is examining whether people can be returned to placements within North Yorkshire in the circumstances where this would offer better value for money and there is no reduction in quality of care. In instances where this is not possible negotiations are taking place with providers to ensure that placements offer value for money. These negotiations have already identified some savings.</p> <p>Secondly, work is underway to plan and develop opportunities for people with complex needs to be supported in North Yorkshire. These new placements will also offer further opportunities for people coming new to the assessment process and also those in placements either in or outside North Yorkshire where their needs can be met more efficiently.</p>

**AREAS FOR IMPROVEMENT IDENTIFIED  
BY ADULT and COMMUNITY SERVICES**

	Areas for improvement	Action proposed	DRR Ref	Progress to date (Sept 2011)
E	<p><b>Introduction of Adult Integrated System and SWIFT Financials</b></p>	<p>The introduction of the client system over the past 18 months has not been a smooth process as there have been significant problems with the functionality and reliability of the system. Some improvements have been made through the application of 'hot fixes' to the live system but there continues to be significant issues impeding the effective use of the system. Regular dialogue takes place with the supplier (Northgate) to maintain the pressure and find and implement solutions. More recently SWIFT Financials went live and residential homes are now being paid and associated client bills being generated by the new system. There have been technical and user issues highlighted and these will be worked through to ensure the system is effective and staff are using it effectively.</p>		<p>The Residential Payment and Billing system went live April 2011. There were difficulties with the payment process during the first month but this was quickly resolved, and client billing went live the following month. There have been relatively ongoing minor issues including narrative on the bills and the interface process between the output from SWIFT Financials and the input to the Oracle financial ledger. ICT are working on this and hopefully this will be fully operational for the next payment and billing run during September 2011.</p> <p>The hot fixes provided by Northgate to remedy a number of issues in AIS were successfully applied in August 2011.</p> <p>Version 27 of the system has recently been issued by Northgate and arrangements are currently being made to test the system before roll out. This provides additional functionality such as calculation of the Resource Allocation for personal budgets which are currently calculated outside of the system and require additional input effort. These features will assist the speedier flow of information from operational staff to those people requiring social care support.</p>



**AREAS FOR IMPROVEMENT IDENTIFIED  
BY ADULT and COMMUNITY SERVICES**

	Areas for improvement	Action proposed	DRR Ref	Progress to date (Sept 2011)
F	<p><b>Personalisation and Putting People First Agenda</b></p>	<p>The Directorate has a made significant progress in this area in relation to the milestones required by the DOH and laid out in Putting People First. Concentrated effort has been brought to achieve the national milestones.</p> <p>Arrangements for personal budgets continue to develop in light of experience and the use of the needs assessment questionnaire and indicative resource allocation model tied into the further advances of an IT solution.</p> <p>Implementation of the Fairer Charging regime from May 2011 will bring greater level of complaints as some charges increase. Conversely this could result in reduction in service take up. Monitoring of the impact arising from this policy change is taking place on a monthly basis and will be reported to Care and Independence Overview and Scrutiny in October 2011.</p>		<p>The Putting People First Agenda has now been superseded by Think Personal Act Local but the underpinning principles and requirements remain the same. The project is still overseen by a project team but will become more embedded in day to day practices as more personal budgets are issued to new clients and existing clients following care management reviews.</p> <p>The national target of 30% of users receiving services and receiving a personal budget by April 2011, this was achieved.</p> <p>The upgrade in AIS during the latter part of this financial year will improve the speed of information on the indicative budget.</p> <p>The revised charging policy, responding to the DOH guidance on fairer contribution came into effect for new clients from the 7<sup>th</sup> May 2011. Monitoring is taking place and the early indications are that the revised charging is having minimal impact on people's decision to receive services. A fuller report will be considered by Care and Independence on the 10<sup>th</sup> November 2011.</p>

HEALTH AND ADULT SERVICES DIRECTORATE - RISK REGISTER

Identity			Person		Classification												Fallback Plan			
Risk No	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
3/5	3/5 - Demographic Change resulting in demand led budget pressures	Inability of Council to fund the increased demands of the projected demographic change and increased numbers with dementia, higher levels of need through transition and increased ordinary residence resulting in overspend of budget, criticism, inappropriate reduction in level of service elsewhere, adverse outcome on people using services would result in breach of legislative duty, reduce performance, budget overspend and damage to reputation.	CD HAS	HAS AD ASC	H	H	H	M	H	1	8	31/03/2012	M	H	H	M	H	2	Y	HAS AD ASC
3/164	3/164 - Loss of Sensitive Data and failure in information governance	Failure to protect sensitive data (either electronic or hard copy) resulting in media attention, loss of reputation or prosecution.	CD HAS	HAS AD P&C	M	L	M	L	H	2	2	31/12/2011	M	L	M	L	H	2	Y	HAS AD P&C
3/32	3/32 - Learning Disability Commissioning and Implementation Strategy	Failure to implement through a positive engagement process the Valuing People Now and Valuing Employment Now agendas in respect of shaping the market for internal and external services resulting in budget problems, failure to modernise, failure to deliver on efficiency targets, political concerns, reduced performance.	CD HAS	HAS ASC HoSDC&T	M	M	H	H	H	2	8	31/03/2012	M	M	H	M	M	2	Y	HAS ASC HoSDC&T
3/168	3/168 - Extra Care Housing & Regeneration Programme	Failure of the agreed procurement process to secure a partner to deliver the extra care housing and regeneration programme and to understand and mitigate the legal and financial risks arising from the procurement and EPH re-provision programme.	CD HAS	HAS AD PP&QA	M	H	M	H	H	2	7	30/04/2013	M	H	M	H	H	2	Y	HAS AD PP&QA
3/27	3/27 - Safeguarding Arrangements	Failure to have a robust Safeguarding regime in place results in risk to service users, failure to reach required standard on CQC and adverse effect on Directorate reputation.	CD HAS	HAS ASC HoSDC&T	M	H	H	M	H	2	4	31/03/2012	L	H	H	M	H	3	Y	HAS ASC HoSDC&T
3/167	3/167 - Health Responsibilities	Failure to be sufficiently prepared for our Health responsibilities and deliver integrated approaches with Health partners resulting in lost financial opportunities through joint provision of services, inability to protect the public adequately and not make sufficient progress in health improvement	CEO	CD HAS	H	M	M	M	M	2	7	29/02/2012	M	M	M	M	M	4	Y	CD HAS

Identity			Person		Classification												Fallback Plan			
Risk No	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
3/26	3/26 - Financial and Resources - Failure to manage and deliver the efficiency agenda	The budget is predicated on delivering a transformation agenda resulting in major financial efficiencies. Failure to achieve these efficiencies in a timely manner would result in budget overspend, the need for urgent possibly inappropriate reduction in front line services, major cuts in senior management structures and financial risk to the Council's other Directorates.	CD HAS	HAS AD R	H	L	L	L	M	2	7	31/05/2012	M	L	L	L	M	4	Y	HAS AD R
3/162	3/162 - Major failure due to quality and/or economic issues in the care market.	Fundamental breach of contract by key provider(s) resulting in significant un-met service needs, loss of reputation, potential legal proceedings (e.g. failure of major provider) and long term impact in trust in the market to meet peoples need appropriately.	CD HAS	HAS AD PP&QA	M	M	M	M	M	4	4	31/05/2012	M	M	M	M	M	4	Y	HAS AD PP&QA