

NORTH YORKSHIRE COUNTY COUNCIL

STATEMENT OF ASSURANCE 2014/15 BY CORPORATE DIRECTOR – HEALTH AND ADULT SERVICES

The County Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. In discharging this accountability, all Members and senior officers of the County Council are responsible for putting in place proper risk management processes and internal controls to ensure the proper stewardship of the resources at its disposal.

As a Corporate Director and member of the Management Team, I have corporate responsibility for maintaining a system of sound internal controls and risk management processes within the County Council and service management responsibility for maintaining a system of sound internal controls and risk management processes within the Health and Adult Services Directorate that support the achievement of both Corporate and the Directorate's objectives.

The system of internal controls is based on an ongoing process designed to identify the principal risks to the achievement of these objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

As a Corporate Director, I have responsibility for reviewing the effectiveness of the system of internal control and risk management processes in the Health and Adult Services Directorate. My review of the effectiveness of the system of internal controls has taken into account the following:-

- adequacy and effectiveness of management review processes
- outcomes from the formal risk assessment and evaluation process (Directorate Risk Register)
- relevant self-assessments of key service areas within the Directorate
- relevant internal audit reports and results of follow ups regarding implementation of recommendations
- outcomes from reviews of services by other bodies including Inspectorates, external auditors etc
- the framework of controls that operate in relation to individual partnerships where some aspects of the necessary controls are the responsibility of the partner to operate / apply

I confirm that Health and Adult Services Directorate has a full set of business continuity plans and that they will continue to be refreshed as and when necessary and at least on an annual basis.

I also confirm that Health and Adult Services Directorate understands the importance of keeping sensitive information secure and has the appropriate policies and procedures in place

I am satisfied that a sound system of internal control has been in place for the financial year ended 2014/15 in the Health and Adult Services Directorate. Nevertheless, during the year my review work has identified some areas for further development and these are set out in the *attached schedule*. I propose to take steps to address the matters so identified which should enhance the system of internal controls. I will be monitoring to ensure their effective implementation and operation.

I also understand that this Statement of Assurance will be relied upon by those Members and Officers signing the Annual Governance Statement 2014/15 (the "Document") and by the Audit Committee reporting on the Document.

I therefore confirm that I am not aware of any material statement in, or omission from, the Document which would make the Document misleading. In respect of the Directorate for which I am responsible I can confirm that I have made due and careful inquiry and that the statements relating to my Directorate, in particular those contained in Section 3 of the Document, fairly represent the key elements of the internal control environment within my Directorate. I also confirm that there are no matters relating to my Directorate omitted from Section 7 of the Document which, in my view, merited inclusion.

The assurances given above are all based upon the information that has been made available to me.

Signed:

Corporate Director – Health and Adult Services

Date:

**AREAS FOR FURTHER DEVELOPMENT IDENTIFIED
HEALTH AND ADULT SERVICES DIRECTORATE**

	Areas for Development as Identified in 2015/16	Action Proposed	AGS Inclusion?
	<p>Demand outstrips budget provision for adult social care HAS have developed a resource predictive model based on nationally approved population and demographic trend analysis.</p>	<p>These tools and techniques will be used to:</p> <ul style="list-style-type: none"> • Monitor the forecasting model to predict the pattern and anticipated cost which could occur within the County. • Continue to draw down from the incremental budget provision of £3m per annum from within the MTFS. • Monitor the trend information on a quarterly basis to ensure awareness of cost and volume changes relating to service delivery. • Further zero based budget review will take place in 15/16 with the integrated finance team to fully consider cost drivers and issues. 	
	<p>Implementation of Change and the Improvement Agenda and the linked budget savings As an integral part of the Council's overall 2020 North Yorkshire Programme HAS has an ambitious efficiency and transformational programme which seeks to:</p> <ul style="list-style-type: none"> • make cost savings by improving service outcomes and redesigning service delivery • reduce demand for high cost services as well as disinvesting in traditional forms of service delivery. • invest in prevention services and supporting people at home. • increase the range of supported accommodation through Extra Care. 	<ul style="list-style-type: none"> • A programme approach to managing and monitoring the savings projects and significant service change within HAS has been introduced and feeds into the 2020 North Yorkshire Programme Board. This enables monitoring of the achievement of individual projects and oversight of the overall programme. • The Programme includes adequate Corporate project management and business change support. • The HAS Leadership Team will receive monthly reports to allow the monitoring of progress and identification of interdependencies and 	

		<p>risks. It will also monitor and review progress and delivery of the change and savings programme to ensure delivery against key objectives and within available resources.</p> <ul style="list-style-type: none"> • HAS will continue to play a key role in shaping the Councils' approach to cross cutting issues. These include the 'Stronger Communities' approach and the corporate work relating to customer services. 	
	<p>Market Forces Market forces lead to increases in the cost of care that cannot be contained within budgets, or threaten market disruption, and service continuity.</p>	<ul style="list-style-type: none"> • Continue to undertake 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. • Continue to monitor agreed medium term rates for residential and nursing care, the impact of market forces. Undertake Cost of Care Exercise in 2015/16 with independent expert support. • Continue the procurement process on domiciliary care, learning from phase 1 and evaluating different options. • Continue to work with the market to provide more creative solutions and services rather than relying on the traditional approaches to meeting people's support requirements. • Develop a preventative services strategy to ensure citizens of North Yorkshire are aware of the universal services which are on offer and support them to live healthily and more 	

	<p>The Care Act HAS is in the process of preparing for the changes arising from the Care Act in 2016. The main impacts are to extend the remit of the Council to:-</p> <ul style="list-style-type: none"> • a larger number of people than previously assessed within HAS (self-funders) • new financial limits on the total cost people can be expected to pay for care. <p>There remains a significant degree of uncertainty about the financial and operational implications of these changes.</p>	<p>independently.</p> <ul style="list-style-type: none"> • HAS will continue to undertake modeling of the potential implications using various national models to predict costs and workloads. • A senior project board will monitor the impact of the 2015 changes and co-ordinate the work required for the 2016 requirements. • Up front Government funding to support the implementation will be managed to ensure preparation for the changes. • HAS will use regional and national networks to ensure innovative approaches are considered. 	
	<p>Deprivation of Liberty (DoLs)– Supreme Court ruling A Supreme Court ruling in 2014 has had significant implications for operational practice and consequent costs. The issue continues to be significant.</p>	<ul style="list-style-type: none"> • A series of measures have been introduced to deal with the 10 fold increase in workload. These include additional internal resources, further training of assessors and negotiation with outside assessors. • A robust budget for 2015/16 has been set considering the experiences of the first year and expected demand. • The issue is subject to regular review by HAS Leadership team. 	
	<p>Working with the NHS The Council is working with the NHS to establish new financial and operational working arrangements arising from the changes through the Better Care Fund (BCF).</p>	<ul style="list-style-type: none"> • The 15/16 BCF is operational with appropriate legal agreements in place. • Regular financial and scheme delivery monitoring takes place in joint Locality Boards based around CCG Boundaries. • Governance is established to allow escalation of issues and consideration of in year revisions to the plan. 	

