

**AGENDA ITEM No.5**

<b>Meeting of East Renfrewshire Integration Joint Board</b>	Performance and Audit Committee
<b>Held on</b>	18 December 2015
<b>Agenda Item</b>	5
<b>Title</b>	External Audit Recommendations resulting from East Renfrewshire Annual Accounts
<b>Summary</b>  This report identifies the three recommendations specifically relating to the Health & Social Care Partnership, as a result of the external audit of the Council's annual accounts.	
<b>Presented by</b>	Lesley Bairden, Chief Financial Officer
<b>Action Required</b>  The Performance and Audit committee is requested to note the actions and the ongoing work to ensure these recommendations are fully complied with.	

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

**PERFORMANCE & AUDIT COMMITTEE**

**18 December 2015**

**Report by Chief Officer**

**EXTERNAL AUDIT RECOMMENDATIONS RESULTING FROM  
EAST RENFREWSHIRE ANNUAL ACCOUNTS**

**PURPOSE OF REPORT**

1. The purpose of this report is to provide the Performance & Audit Committee with recommendations, specific to the HSCP, which resulted from the annual audit of the Council's accounts for financial year 2014/15.

**RECOMMENDATION**

2. The Performance and Audit committee is requested to:
  - a. Note the recommendations and progress made to date.
  - b. Agree to receive progress updates at future meetings.

**BACKGROUND**

3. The Council's Annual Accounts and associated audit were reported to both the Audit and Scrutiny Committee and Full Council in September.
4. The Council was awarded an audit certificate with no qualifications. The annual audit report (ISA 260) identified a number of recommendations for Council consideration and this report focusses on those related to the HSCP.
5. Progress will also be reported to the Council Audit & Scrutiny as required, as part of the Council's governance process

**REPORT**

6. The Council's audit of the annual accounts contained three recommendations specific to the HSCP:
  1. Scheduled Payments
  2. Provider Contracts
  3. Systems
7. The full detail of the recommendations and associated management action/response is included at appendix 1, along with an updated position as at 20 November 2015.
8. Given that systems are a significant area of required improvement and that the implementation of Care Finance is fundamental for providing a fit for purpose financial and management information tool, additional resources have been allocated in this area:
  1. Existing Finance staff are working additional hours to support the implementation of Care Finance

2. A new temporary post of Development Accountant has been created to support a wider Finance Service Improvement plan.
9. The progress to date is broadly on target, albeit with some delays in Care Finance Workstream 1, however the end date of 31 March 2016 should still be achieved.

## **CONCLUSIONS**

10. Progress is being made to ensure all recommendations are fully complied with.

## **RECOMMENDATIONS**

11. The Performance and Audit committee is requested to:
  - a. Note / approve the progress made to date.
  - b. Agree to receive progress updates at future meetings

## **REPORT AUTHOR AND PERSON TO CONTACT**

Chief Officer, HSCP: Julie Murray

Lesley Bairden, Chief Financial Officer  
[Lesley.Bairden@eastrenfrewshire.gov.uk](mailto:Lesley.Bairden@eastrenfrewshire.gov.uk)  
0141 577 3055

December 2015

## **BACKGROUND PAPERS**

Annual accounts report  
ISA 260  
Audit Recommendations

## **KEY WORDS**

Audit, recommendations;

**HSCP Response to External Audit  
16-Sep-2015**

	<b>Issue</b>	<b>Management Action/response</b>	<b>Responsible Officer</b>	<b>Target Date</b>	<b>Progress as at 25 November 2015</b>
1	<p>CHCP Scheduled Payments. Weaknesses in controls over the existing CHCP scheduled payments system led to overpayments of £1.3 million over a number of financial years. The scheduled payments system should be discontinued.</p>	<p>At the start of 2015/16 scheduled payments were being made for 6 organisations. Of these 3 are now paid on invoice, 1 will be paid on invoice by October 2015 and the remaining 2 organisations will move to payment on invoice by the end of the financial year.</p>	<p>Candy Millard / Frank White</p>	<p>31-Mar-16</p>	<p>Currently 2 providers remain on scheduled payments, with work ongoing to move to invoice arrangements.</p>
2	<p>CHCP provider contracts. The contractual terms could not be established with some providers of care and some contracts may not have been reviewed for over ten years. CHCP grants and payments to providers of care services should be reviewed to ensure appropriate contract terms exist that reflect the current procurement practices. These arrangements may reflect care provision on an individual basis within wider contract terms for each provider or arrangements where a provides a services which is not individual-based. However, the contractual basis should be clear with each provider.</p>	<p>The HSCP, through the Council, has in place contracts with a number of providers under the National Care Home Contract, the Care at Home framework and the Care and Support framework for major areas of service. For the Learning Disability former scheduled payment providers, the Public Social Partnership which commenced in 2013 is the vehicle for reviewing and redesigning over 100 complex and high value care packages. To date 65 of these have been redesigned, with clear expressions of individual choice being agreed and the relevant Self Directed Support route being followed. The HSCP will migrate these individuals on to their preferred self directed support option and associated contracts:            Option 3 Care and Support Framework - 42 Individuals            Option 2 Individual Service Fund Agreement - 20 Individuals            Option 1 Direct Payment Agreement - 3 Individuals            Individuals whose service redesign is currently underway will agree their preferred choice and the relevant Self Directed Support contracts will be put in place - 24 Individuals            Work with the remaining individuals to redesign and implement their preferred Self Directed Support option. - 36 Individuals            The HSCP will undertake a systematic review of all remaining grants and other contract arrangements.</p>	<p>Candy Millard            Candy Millard            Candy Millard            Candy Millard / Frank White            Candy Millard / Frank White            Candy Millard</p>	<p>Complete            31-Oct-15            31-Oct-15            31-Dec-15            31-Mar-16            31-Mar-16</p>	<p>88 individual support plan redesigns are now complete and 10 are in progress. Once a review is completed an individual support plan and an individual care proposal budget is agreed. For option 3 these documents sit under the existing Care and Support Framework contract. For Option 2 Individual Service Fund Service Agreement s have been developed and will be issued for signing during December.</p> <p>A review of all grants and contractual arrangements is underway. A new tender for care at home services has been issued and the HSCP is involved in national care home contractual negotiations.</p>

