

Report of: Chief Officer – Strategy & Resources

Report to: Director of Adults & Health

Date: 10th May 2017

Subject: The creation of two additional posts for Direct Payment Audit Team in Adults & Health

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Within the Adults Operational Services Team in Adults & Health, Strategy and Resources there is currently a team of 3.9 FTE whose main role is the audit of Direct Payment (DP) Agreements with clients. The key function of the audit is to ensure that clients spend their monies correctly and in line with their care plan.

The team frequently identify unspent monies, i.e. where the DP given to the service user has not been used, and also identify where monies have been misused. In 2015/16 £1.7m was identified and recovered, and in 2016/17 £2.2m was recovered. It should however be noted that approximately 643 clients were not given an annual audit review during 2016/17.

By increasing resources at a cost of £58k it is anticipated that additional monies of £258k could be recovered in a full year by performing additional annual audit reviews. The net effect of this is a reduced spend of £200k for Direct Payments. The net effect of this is a reduced spend of £200k for Direct Payments.

Recommendations

2. The Director of Adults and health is recommended to approve the creation of two additional FTEs (1xC1-3 and 1xB1-3) on the Direct Payments team and release these for recruitment.
3. The Senior Manager, Adult Operational Services will be responsible for the recruitment process once the decision has been approved.

1 Purpose of this report

- 1.1 The purpose of this report is to request approval for the creation of two new posts in the Adults Operational Services team and the subsequent recruitment of these posts.

2 Background information

- 2.1 Within the Adults Operational Services Team in Adult Social Care Resources and Strategy there is currently a team of 3.9 FTE Finance Officers (C1-C3) whose main role is the audit of Direct Payment Agreements with clients. This team is managed by a PO2 Senior Finance Officer.
- 2.2 For clarity the current structure of the team is as follows:

Post	Grade
Full-time Finance Officer x 3	C1-C3
Part-time Finance Officer x 0.9	C1-C3
Senior Finance Officer	PO2

- 2.3 The key function of the audit is to ensure that clients spend their monies correctly and in line with their care plan.
- 2.4 There are currently approximately 1,460 clients who receive a Direct Payment (DP). The Direct Payment Audit (DPA) team are required to contact clients, introduce themselves, explain their role and explain the requirements of the client; do a light touch audit after 3 months, annual financial reviews and end of service reviews. Priority is currently given to initial contact with clients and the Audit for end of service clients.
- 2.5 Currently, the DPA team receive 29 new referrals and 29 notifications of an end of service, each month.

	2015/16	2016/17
Number of recipients of DP's at the end of the period (approx.)	1,100	1,460
Audits performed	496	817
Clients not given an annual review (approx.)	604	643

- 2.6 The team frequently find discrepancies with clients' service plans and refer these back to social workers to help ensure adequate services are provided to meet the care needs of the individual.

2.7 There is currently a Direct Payment review underway, with the intention of re-launching and promoting DP's as an option; if this is successful, this will lead to additional DP audit requirements.

2.8 The annual revenue budget for Direct Payments is

Year	Annual Budget £m	Actual Expenditure £m
2016/17	£10.9m	£11.1m
2017/18	£12.1m	

2.9 The team frequently identify unspent monies, i.e. where the DP given to the service user has not been used, and also identify where monies have been misused (the team assist with ensuring these are dealt with appropriately).

	2015/16	2016/17
Amount of monies recovered	£1.7m	£2.2m
% of annual budget	14%	20%

3 Main issues

3.1 It is proposed that the team is increased by two FTEs in order to increase the number of audit reviews and the frequency of these which will help to:

- prevent the misuse of DPs
- identify quicker where packages are not being spent (which may be a care issue)
- identify safeguarding issues quicker
- reduce the risk of non-recovery of unspent/misspent monies due to earlier intervention

3.2 By creating these additional posts it is anticipated that additional monies of between £250k and £300k could be recovered in a full year. Although it would be prudent to assume the lower value due to re-launching the Direct Payments scheme and the review of the front line process.

3.3 On reviewing the tasks performed it is considered that the resources required to enable this target to be met are one additional C1-3 Finance Officer (£31,176 incl. oncosts top of grade), Job Description included as Appendix 2, to perform the audits and one B1-3 Finance Assistant (£24,934 incl. oncosts top of grade), Job Description included as Appendix 3, to assist the team with admin tasks and free up other staff so they can carry out more audits. The cost of this is £56,110 per annum (at top of grade). Additional IT equipment will also be required at a cost of

£2,000. Total cost £58k. It should be noted that both these posts are link graded and any progression will be dependent on evidence and managed accordingly.

3.4 For clarity the proposed structure is as follows:

Post	Quantity	Grade
Finance Officer (f/t)	4	C1-C3
Finance Officer (p/t)	0.9	C1-C3
Finance Assistant (f/t)	1	B1-B3
Senior Finance Officer	1	PO2

The net effect of this is a reduced spend of £200k (full year effect) for Direct Payments.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Trade union colleagues have been consulted on the proposals. The Trade Union raised an issue pertaining to a re-grade application within the current team. The re-grade application has been resolved and was not upheld.

4.1.2 The current Direct Payment Team have been consulted and are supportive of the proposals.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 All aspects of Equality and Diversity, Cohesion and Integration have been considered

4.2.2 Attached Equality, diversity, cohesion and integration screening – Appendix 1

4.2.3 The job descriptions for both posts have previously been through job evaluation (JE). As the job description for the Finance Assistant had some amendments it was checked by the JE team to ensure the amendments did not change the score. The JE team have confirmed that the amendments are minor and would not change the score.

4.2.4 The posts will be sent to the Council's talent pool first and will therefore be matched to redeployees and those at risk of redundancy first of all. Consideration will also be given to using the flexibility protocol. If there are no suitable matches via these processes then the post will be released internally.

4.3 Council policies and the Best Council Plan

4.3.1 This action contributes to the Best Council Plan, keeping people safe from harm.

4.3.2 By increasing the resources by two FTEs it is anticipated that the number of audit reviews will be increased and that audits are performed more frequently, which will help to

- prevent the misuse of DPs
- identify quicker where packages are not being spent (which may be a care issue)
- identify safeguarding issues quicker

- reduce the risk of non-recovery of unspent/misspent monies due to earlier intervention

4.4 Resources and value for money

- 4.4.1 By increasing resources at a cost of £58k it is anticipated that additional monies of £258k could be recovered in a full year by performing additional annual audit reviews. The net effect of this is a reduced spend of £200k for Direct Payments.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 There are no legal implications to creating these two additional posts.

4.6 Risk Management

- 4.6.1 If the posts are not approved there is a risk that:

- Annual Reviews are not performed for between 600 and 650 clients. This could lead to clients with insufficient care needs or clients who have not spent their Direct Payment appropriately.
- Audit requirements are likely to increase with the emphasis to promote Direct Payments within the department.
- Departmental saving anticipated at £200k net would not be achieved.

5 Conclusions

- 5.1 By increasing resources at a cost of £58k it is anticipated that additional monies of £258k could be recovered in a full year by performing additional annual audit reviews. The net effect of this is a reduced spend of £200k for Direct Payments.

6 Recommendations

- 6.1 The Director of Adults and health is recommended to approve the creation of two additional FTEs (1xC1-3 and 1xB1-3) on the Direct Payments team and release these for recruitment.
- 6.2 The Senior Manager, Adult Operational Services will be responsible for the recruitment process once the decision has been approved.

7 Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.