

Children and Young People with Disabilities Service

SWAP Audit Findings on Review of Direct Payments

January 2025

Wiltshire Council



Audit Objective

To ensure that use of direct payments is appropriately offered to services users and effective governance in place.

Background

Direct payments are a means of providing a Service User (SU) with a personal budget which is allocated by Social Care if they are eligible to receive care and support. Direct payments aim to give the SU more flexibility in how their services are provided, giving greater choice and control. Direct payments can be used to arrange support designed to meet individuals needs and outcomes.

Risk to be reviewed

Direct payments are not consistently applied and controls in place are not robust to safeguard Council funds against fraud or erroneous use, resulting in care outcomes not being met and service users wellbeing being compromised.

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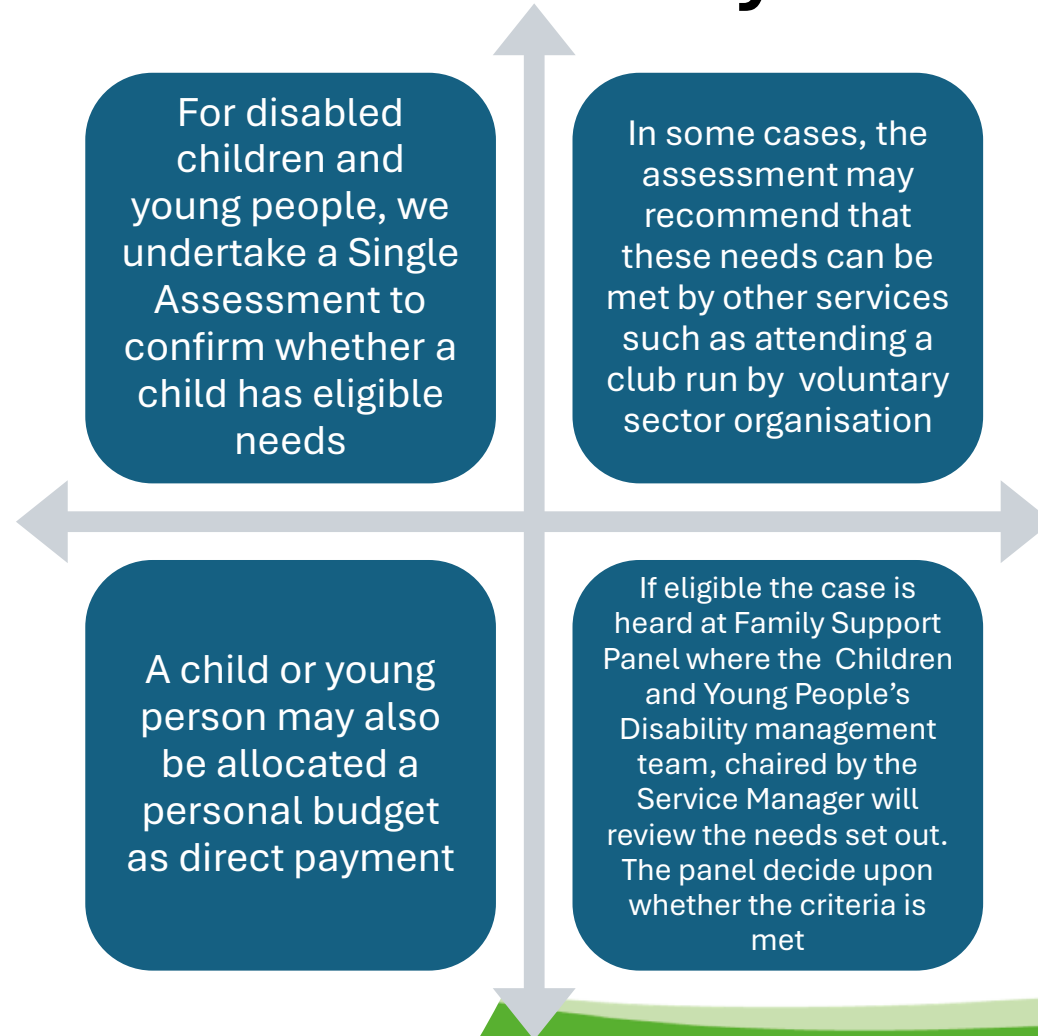
Audit Scope

The audit will review the following:

- A review of policies and procedures for the administration of direct payments and to ensure consistent application of these;
- Identification of all areas within the Council who offer direct payments across Children's and Adult Services;
- Data analysis of a range of financial and Social Care records from LiquidLogic and Oracle (previously SAP);
- Review of information available to both staff processing direct payments and Service Users when offered the service, including how the Council ensures that who are eligible are offered direct payments;
- Review of how the Finance Team set up, monitor, and end Direct Payments to include the return of high balances in bank accounts;
- Review of record management, sharing and oversight of the entire Direct Payment Service.

These terms of engagement set out the scope and coverage of the review but should not be regarded as an exhaustive programme of work and initiative and discretion planned scope can only be completed if information is made available promptly and necessary staff are available otherwise the scope of work may require amendment.

How are Direct Payments Assessed



- Parents can spend the personal budget through an agency to provide support or receive it as a direct payment to meet the child's needs or a combination

Finding 1.

Record Keeping and Quality Assurance

There are significant weaknesses in record keeping practices for Children's Direct Payments.

Key issues include:

- Inconsistent retention of bank statements and supporting evidence on children's LiquidLogic records, including detail of whether monies owed to the Council have been returned, potentially impacting budget monitoring and oversight;
- Absence of spot checking or quality assurance processes to ensure data accuracy and completeness of service user records;
- Correspondence being sent and received from individual user mailboxes as well as the designated shared mailbox, risking data accessibility; and
- Potential fraud indicators in service users bank statement returns not being documented or evidenced as having been investigated.

These issues collectively highlight a need for improved oversight and robust quality assurance processes to ensure accurate and reliable financial management and record-keeping.

Update: Assurance audit is booked for 13/1/2025 due to cancellation of earlier meeting as a result of sickness. Findings will be reported into Q3 POG and SMT Performance Report. The policy guidance has been completed and will be shared with CIC by 10th January 2025. Systems Team are building a Personal Budget At a Glance Report that will be implemented by 1st March 2025. This will provide us with enhanced visibility and more sophisticated reporting. We do not require the Liquid Logic finance Model to achieve this oversight. There is now a central Personal Budget email address that is used for all correspondence and all finance have access.

Action

We have already initiated a review into the issues identified and taken some action including setting up a direct payments mailbox.

There will be quarterly quality assurance of direct payments by the Team Manager and Business Support Manager to review oversight of the record keeping. This will commence in Q3 2024.

This will be reported into POG on a quarterly basis, first report at the end of Q3.

There is a meeting booked with the Performance and Data team to discuss the data to inform our new tracking spreadsheet 12/12/2024.

We have a meeting booked on the 12/12/2024 to write guidance and a flowchart with timescales for quality assurance checks with a target for implementation in Jan 2025.

The longer term plan will be to transfer all DP related information on to LiquidLogic (need to get timescale from Systems Team meeting 06/12/2024).

Priority	1	SWAP Reference	AP#5160
Responsible Officer	Service Manager for IFD		
Timescale	28 th February 2025		

Finding 2.	Action			
<p><u>Resourcing and Knowledge Management</u></p> <p>There are risks associated with the current staffing and knowledge management practices within the CYPDT finance team. These include:</p> <p><u>Single Point of Failure</u> The team relies on a single part-time Finance Officer, creating a significant vulnerability. There is no contingency plan in place to cover the responsibilities of this officer in the event of sick leave or other long-term absences.</p> <p><u>Lack of Documentation</u> Procedures and processes are not adequately documented. This poses a substantial risk to the Council. If the current Finance Officer were to leave it would result in the loss of crucial knowledge and expertise, impacting the continuity and efficiency of financial operations.</p>	<p>A review will take place in November 24 . Consideration is being given to:</p> <ul style="list-style-type: none"> • Implementing quarterly meetings between the Service Manager, Admin Manager and Finance Officer to review the direct payment spreadsheet; • Documenting processes and procedures; • Other administration officers already have access to the system and we carry out training on the workflow within the finance team; • Knowledge sharing with the Children in Care finance team so that all officers are able to process and review if required. 			
	Priority	2	SWAP Reference	AP#5161
	Responsible Officer	Service Manager for IFD		
	Timescale	31 st December 2024		

Update: Quarterly meetings are in place. Procedures documents have been completed implemented and shared with finance officers, a review of their use and confidence will be undertaken in Q4. Wider sharing with CIC teams will be completed by 10th January 2025.

Finding 3.	Action			
<u>Spreadsheet and Data Management</u>				
<p>The following issues, in relation to external spreadsheets and data management, were identified:</p> <ul style="list-style-type: none"> • Reliance on spreadsheets, created and maintained outside of the system, due to the absence of a finance module in LiquidLogic for Children’s Finance teams; • Failure to archive spreadsheets, leading to potential inaccuracies in historical data and potential breaches to data protection regulations; and • Use of outdated and cumbersome spreadsheets, such as the DP tracker, which are not fit for purpose, difficult to interpret and subject to potential errors and inaccuracies. 	<p>There is a short term goal of exploring possibilities for improving the current system. In the short term, the Service Manager will liaise with the Systems Team and work with the Performance Analyst for SEND to look at ways to improve data management. Meeting booked for the 12/12/2024. We have been advised by systems that we have a provisional target of Q1/Q2 2025.</p> <p>We will work with the Systems and Performance Management team to ensure we have a robust system of recording and retaining information and key reports can be run from the system to future proof the service and provide forecasting and more detailed analysis. Our accounts team will review the proposal for feedback.</p>			
<p>These issues increase the risk of inaccurate/incomplete data entry and data loss, which could lead to non-compliance with regulations and impact decision making.</p>	Priority	2	SWAP Reference	AP#5204
	Responsible Officer:	HOS Support and Safeguarding		
	Timescale	30th September 2025		

Update: The Systems Team are in process of building our Personal Budget At a Glance Report that covers all issues raised re reliance, single point of failure and issues with reporting and this will be in situ by 1st March 2025.