

Social Care Debt Audit Report Summary (June 2014)

Annex A

Audit	Background to review	Key findings	Audit opinion (1)	Recommendations for improvement (Priority) (2)
Social Care Debt	<p>The council is required to charge individuals who receive residential or nursing home care; and it has the power to charge for non-residential services.</p> <p>Social care debt is managed by multiple teams from Adult Social Care (ASC), Shared Services, Finance, and Legal & Democratic Services.</p> <p>The recovery of social care debt differs from other types of debt due to the council's statutory duty to meet individuals' care and support needs. As such, services cannot be withdrawn on the basis of non-payment.</p>	<p>During 2013/14 the level of social care debt decreased by £1.44m. This includes £0.73m of debt written-off, which reduces council income but creates a more accurate picture of collectible debt.</p> <p>New processes introduced in 2013/14 should ensure debts do not remain inactive for long periods. Improvements in recovery of aged debt and dunning block practices are evident.</p> <p>Direct debit continues to be promoted as the preferred payment method. However, the proportion of invoices paid by direct debit (64%) appears to have reached a plateau.</p> <p>Working relationships between teams need strengthening to ensure debts are effectively managed in a consistent and cohesive manner.</p> <p>Imminent changes to charging included in the Care Bill present an emerging risk to the management of social care debt.</p>	Some Improvement Needed	<p>All teams must make key information available in a timely manner. (H)</p> <p>Alternative ways to promote direct debits should be investigated, including: creating an incentive to pay by direct debit; engaging a community partner to assist and advise individuals; and discussing direct debit performance with other local authorities. (M)</p> <p>ASC management should consider incorporating a discussion about the impact of changing payment methods into care reviews. (M)</p> <p>Managers from each of the teams involved in the management of social care debt should consider implementing a Service Level Agreement between themselves. (M)</p> <p>Shared Services should review how they are addressing upcoming changes to charging in relation to the Care Bill. (M)</p>

¹ Audit Opinions

Effective	Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Some Improvement Needed	A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Significant Improvement Needed	Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.
Unsatisfactory	Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.

² Audit Recommendations

Priority High (H) - major control weakness requiring immediate implementation of recommendation

Priority Medium (M) - existing procedures have a negative impact on internal control or the efficient use of resources

Priority Low (L) - recommendation represents good practice but its implementation is not fundamental to internal control