










Final Internal Audit Report 2010/11 –Financial Monitoring of Personal Budgets (AHCW8)

1. Executive Summary

Department: Adult Health & Community Wellbeing Audit Sponsor: Liz Chidgey – Deputy Executive Director, Adults, Health & Community Wellbeing Distribution List: Liz Chidgey – Deputy Executive Director, Adults, Health & Community Wellbeing Karen Wright – Internal Standards & Governance Director AHCW; Margaret Lee – Executive Director of Finance, Louise Wishart - Audit Commission		Overall Opinion LIMITED ASSURANCE 		Number of Control Design issues identified		Number of Control Operating in Practice issues identified		Number of Recommendations	
		Direction of Travel This review is not consistent with a previous audit undertaken.		 Critical		 Critical		7 Made	
				 Major		 Major		0 Rejected	
				 Moderate		 Moderate		n/a Critical Rejected	
				 Best Practice		 Best Practice		0 Major Rejected	
Date of last review: n/a									

Scope of the Review: The review focused on the financial monitoring aspect of service users with personal budgets to ensure that this is consistently and adequately applied throughout Essex.

Limitations:

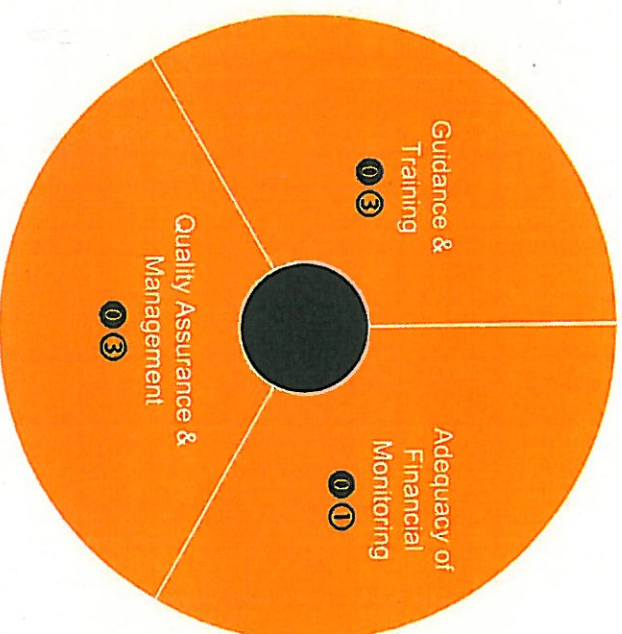
Critical and Major Findings and Recommendations

The AHCW Directorate has a commissioning budget in the region of £500million. Personal budgets were introduced in October 2008 and to date the value of personal budgets is approximately £9million, with in the region of 560 service users opting for a personal budget. Although guidance notes have been compiled by the service in relation to the financial monitoring aspect, the audit review has confirmed that there is a lack of compliance with this guidance.

There remains uncertainty amongst practitioners as to how personal budgets may be expended. Cultural issues are also evident as many care packages are costed based on the traditional hourly rates rather than being outcome focused.

Training is urgently required to ensure that all practitioners are comfortable with the principles of an outcome based Support Plan as this is an essential element against which expenditure can be assessed and monitored against.

It is acknowledged that the service is looking to introduce a single monitoring system that will include both personal budgets and direct payments. However, until a new system is introduced, it is essential that a dedicated and trained team are engaged to establish a monitoring regime of those service users who have been allocated a self-managed (or via appointee) personal budget. This should be based on a risk assessment, considering the vulnerability of the service user and the financial value of the care package.



Each risk area for this review is shown as a segment of the wheel. The key to the colours on the wheel is as follows:

- Critical priority Control Design or Control Operating in Practice issues identified
- Major priority Control Design or Control Operating in Practice issues identified
- Moderate priority Control Design or Control Operating in Practice issues identified
- No / Minor Control Design or Control Operating in Practice issues identified