

Executive Director's Assurance Report: Adults Health and Commissioning

To: Audit & Accounts Committee

Meeting Date: 30 January 2025

From: Executive Director Adults, Health and Commissioning

Electoral division(s): All

Key decision: No

Forward Plan ref: Not Applicable

Executive Summary: The purpose of this report is for the Executive Director for Adults, Health and Commissioning to provide assurance to the Audit & Accounts Committee that a sound system of internal control is in place and operating effectively for their areas of responsibility. This will support the delivery of the key functions of the Audit & Accounts Committee, in line with the Committee's Terms of Reference.

Recommendation: The Committee is asked to:

- a) scrutinise the contents of the paper, noting the contents and providing a view that there are internal controls in place within the Directorate.
- b) note the actions and approach being taken to provide adequate internal controls, to reduce risks to the council, and support the delivery of key functions.

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1.0 Creating a greener, fairer and more caring Cambridgeshire

1.1 The purpose of this report is for the Executive Director Adults, Health and Commissioning Directorate to provide assurance to the Audit & Accounts Committee that a sound system of internal control is in place and operating effectively for their areas of responsibility. The report will also update the Committee on the implementation of planned actions to further strengthen arrangements for governance, risk and control, and the outcomes of whistleblowing referrals in the Directorate.

1.2 This will support the Audit & Accounts Committee to deliver the following key functions within the Committee's Terms of Reference:

- Monitor the effectiveness of the system of internal control, including arrangements for internal audit, external audit, financial management, ensuring value for money, risk management, governance, assurance statements, supporting standards and ethics, and managing the authority's exposure to the risks of fraud and corruption.
- Provide independent assurance of the adequacy of the risk management framework and the associated control environment.
- Review compliance with the relevant standards, codes of practice and corporate governance policies.

1.3 As such, this will support the delivery of all seven of the Council's ambitions as set out within its Strategic Framework.

2.0 Background

2.1 The Council is required to include an Annual Governance Statement (AGS) as part of the Annual Statement of Accounts. The AGS is an important statutory requirement which enhances public reporting of governance matters. It should therefore be honest and open, favouring disclosure.

2.2 A key element of developing the AGS is the preparation of self-assurance statements by all directors, as a formal assurance from those managers who have responsibility for the development, implementation and maintenance of the governance environment.

2.3 These assurance statements require Executive Directors to:

- Confirm that they have obtained assurance from their service directors on the key elements of risk and control systems for which they are responsible.
- Confirm that all significant internal control matters brought to their attention have been or are being properly dealt with.
- Confirm that that risks have been identified and internal controls for which they are responsible have been sufficiently addressed in order to provide reasonable assurance of effective financial and operational control, compliance with the Code of Corporate Governance and with other laws and regulations; and confirm that to the best of their knowledge, these

arrangements have been complied with in all material respects throughout the period.

- Identify any exceptions to the above and/or any significant governance issues¹ the Executive Director is aware of, and how these are being addressed.

3.0 Highlights from the Annual Governance Statement

- 3.1 An action plan has been developed in line with the Annual Governance Statement taking into account the outcomes from the annual review of corporate governance and any actions or issues identified in the development of the AGS.

The Adults Health and Commissioning Directorate support the delivery of actions identified in the AGS Action Plan. Outlined below are the two specific actions for the Directorate which have been progressed.

- **Implementation of the Complaints Action Plan in Adults, Health and Commissioning**

The annual adult social care customer care report brings together the information on complaints, representations, MP enquiries and compliments received by the council in respect of adult social care services. This allows learning from complaints across all service areas to be identified and actions agreed to make improvements in services. As a result of the learning identified from feedback, we have implemented a number of service improvements which include system and process improvements, revisions of documentation to ensure clarity of information and staff training.

- **Formal review and update of the Adult Social Care Complaints Policy**

This action is complete but further recent guidance has recently been published by the Local Government and Social Care Ombudsman (LGSCO) to support best practice for handling complaints within Adult Social Care and our policy will be updated to ensure any additional areas of good practice are taken into account. In addition, the internal audit team will be undertaking a review of the application of the Adult Social Care Complaints Policy as a part of the planned audit cycle. Any findings from this audit will be implemented as part of the on-going review process.

The Adults, Health and Commissioning Directorate have supported the delivery of other actions contained within the AGS Action Plan which have included implementing new processes and training for appropriate officers in relation to political awareness and procurement and contract management.

¹ N.B. Significant governance issues are defined as those which:

- Seriously prejudice or prevent achievement of a principal objective of the authority;
- Have resulted in the need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business;
- Have led to a material impact on the accounts;
- The Audit Committee advises should be considered significant for this purpose;
- The Head of Internal Audit reports on as significant in the annual opinion on the internal control environment;
- Have attracted significant public interest or have seriously damaged the reputation of the organisation;
- Have resulted in formal action being undertaken by the Chief Financial Officer and / or the Monitoring Officer

4.0 Overall Control Environment

4.1 A number of key developments within the control environment for the Adults, Health and Commissioning Directorate have been implemented in the last 12 months. This has included:

- Establishing a Directorate level Change Board to oversee key projects and programmes which are delivering improved outcomes for the people we support. The Board operates in line with the Council's Change Strategy and governance structures for overseeing change across the organisation.
- Implementing the Council's Performance Framework which was approved at the Strategy, Resources and Performance Committee in October 2024. This includes the review and development of a range of performance indicators which will be used to manage the overall performance of the directorate and provide opportunity for scrutiny.

4.2 To provide further assurance about the directorate's processes the Executive Director for Adults Health and Commissioning requested that internal audit conduct a review of the governance and planning processes carried out as part of the development of 2024/25 business planning proposals within the directorate. The findings of the audit report were that Adequacy of System had 'limited' assurance and compliance had 'limited' assurance, whilst the organisational impact was 'Minor'. The key reasons were:

- At the time of audit, there was no clearly defined and documented overarching governance structure in place to provide oversight and assurance across the entire range of Adult, Health and Commissioning business planning proposals. However, it was noted that these arrangements were under development at the time, including oversight and accountability mechanisms for savings and transformation programmes.
- There was a lack of consistency in the level of detail regarding benefits realisations, delivery plans and risk assessments associated with business planning proposals.
- The implementation and communication of a clear corporate project management framework and change board system across the organisation would provide further guidance and support for the implementation of proposals.

4.3 The audit report made a set of six recommendations. Three of these are risk rated as high and the remaining three as medium. Five of these recommendations have been completed with work continuing to complete the remaining recommendation. The completed actions are outlined below. The outstanding actions are covered in section 5.3 of this report.

	Recommendation	RAG	Completed Actions
1A	Establish a comprehensive governance structure	High	Central Adults, Health and Commissioning directorate change board established and meets monthly to oversee implementation of all proposals.

			Organisational requirements for the oversight of directorate change programmes are in place Project and programme boards and delivery governance and reporting lines established. Power BI reporting dashboard has been developed providing overview of all projects. Red RAG projects reported monthly to corporate change board. Risk management process established.
2A	Learning Disability Deep Dive: Develop comprehensive and well-defined project proposals	High	Proposal documents have been enhanced to ensure clear scope, objectives and action plans are in place. Finance verified savings methodology and tracking mechanisms in place. Programme board is aligned with central Adults Health and Commissioning Change Board, with reporting and governance oversight established.
2B	Learning Disability Deep Dive: Develop and embed risk identification, register, mitigation strategies and sufficient details in highlight reports.	Medium	Risk register and savings tracker in place for all projects. This includes inclusion of more robust risk mitigation plans. Consistent highlight reporting implemented, reporting up to directorate change board.
3A	All Age Locality Review: Develop detailed proposals, investment plans, alignment with existing governance and monitoring mechanisms.	High	Consultancy support has been commissioned and work is underway with detailed milestone plan in place. The outcomes of this will inform future opportunities and plans. Clear governance for the project has been established, ensuring robust oversight and accountability.
3B	All Age Locality Review: Implement robust risk identification and managements processes and clear project plans.	Medium	A comprehensive risk register has been implemented. Project oversight board has been established Regular reports are feeding into the directorate change board and associated governance.

- 4.4 The findings and implementation of recommended actions has had a positive impact on the process for the 2025/26 business planning cycle, as the Adults, Health and Commissioning Directorate have embedded the learning and developed more robust processes to support delivery, risk management and governance
- 4.5 Following the inclusion of Public Health within the directorate, from May 2024, the risk register for the Adults, Health and Commissioning Directorate has been reviewed to ensure that all risks from both a public health and adult social care perspective have been identified.
- 4.6 There are currently 12 risks on the Directorate Risk Register with two risks reaching the threshold for inclusion on the Corporate Risk Register. The Directorate Risk Register is reviewed on a regular basis by the Adults, Health and Commissioning

Leadership Team, the Corporate Risk and Assurance Group and is presented on a six-monthly basis to Adults and Health Committee.

- 4.7 The following risk is included on the Corporate Risk Register outlining the risk factors where there are reputational and legal impacts if the Council's arrangements for Safeguarding Adults with Care and Support needs fail. Current mitigations for this risk include:
- Adult Social Care Assurance - The organisation engages in the ongoing process of revising its practices and procedures to align with emerging local and national trends. This includes learning from local and national reviews such as Serious Case Reviews to continuously improve safeguarding measures
 - Skilled ASC Workforce - To ensure high quality safeguarding, staff receive comprehensive training, ongoing professional development opportunities, and regular supervisions that reinforce safeguarding procedures and best practices, enabling them to maintain professional registration.
 - Multi Agency Safeguarding - Multi-agency Safeguarding Boards and Executive Boards provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity.
 - Internal Quality Assurance - Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.
 - Commissioned Services - Regular monitoring of social care providers and information sharing meetings with other local organisations, including the Care Quality Commission and ICB are in place.
 - Coordinated work with system partners and agencies - Coordinated work between multi-agency partners for both Adults and Children's. Police, County Council, and other agencies to identify child sexual exploitation, including supporting children and young people transitions to adulthood, with the oversight of the Safeguarding Boards.
 - Information Sharing with regulatory bodies. Continue to work with the CQC to share information.
 - Manage demand - Managing increasing demand and acuity to ensure adults receive right support at the right time. Regular DMT's to discuss and escalate issues.
- 4.7 There are current actions underway to mitigate the corporate risk that arrangements to support people with Learning Disabilities result in poor outcomes due to uncertainty of decoupling of funding arrangements via section 75 agreement. Current mitigations of this risk include:
- Focussed action to manage the ending of the Section 75 Arrangements and management agreement including review of service delivery and financial arrangements.

- Using external resources to manage the review of cases prior to the ending of the current arrangements.
- Specific resources in place to support the delivery of the programme.
- On-going relationship building with health colleagues.
- Working closely with providers and maintaining regular communications with people who use services and their families/carers, to provide assurance on continuity of care.

5.0 Outstanding Audit Actions

5.1 As at December 2024 the Adults Health and Commissioning Directorate had outstanding audit actions relating to audits carried out in the following areas:

- Adults Business Planning Review
- Case 143 – Direct Payment

5.2 The current outstanding audit actions are contained in Appendix 3 of this report. Work to complete all outstanding audit actions is underway with notable progress against all recommendations.

5.3 In relation to the Adults Business Planning Review the remaining actions are:

	Recommendation	RAG	Update
1a and 1b	Improved planning/refinement of implementation plans, savings and costs and procurement processes prior to execution	Medium	<p>Corporate business planning process has been refined for 2025/26 to ensure more robust proposal development and testing, including finance testing.</p> <p>Further work linked to 25/26 business planning process includes the development of benefits realisation framework and stakeholder engagement plans.</p> <p>For any initiatives involving consultancy support, we are progressing procurement plans and have clear timelines in place.</p> <p>Review of resourcing to support the co-ordination of the central portfolio overview for adults, health and commissioning underway.</p>

5.4 The remaining outstanding actions in relation to both the Business Planning Review and Direct Payments case are all on track for delivery in Quarter 4 of 2024/25 in line with the agreed timescales.

- 5.5 It is anticipated that all current outstanding actions will be closed by the end of March 2025.

6.0 Whistleblowing, Complaints & Inspections

- 6.1 During 2023/24 the Local Government and Social Care Ombudsman (LGSCO) and Joint Working Team, which considers complaints relating to both health and social care issues, considered a total of 13 complaints that had been responded to by the council relating to adult social care. This is 1 more complaint than the previous reporting year (2022 – 2023) where 12 were considered by LGSCO for adult social care.

This equates to 5% (13 / 269) of our total complaint cases received by the Council in relation to Adult Social Care in period. The outcomes of the 13 cases investigated by the LGSCO this reporting year are:

- 6 not investigated
- 3 not upheld
- 4 partially upheld

Full details of these cases are published on the LGSCO's website and can be found in the Adult Social Care Customer Care Annual Report 2023/24 which will be presented in full to the Adults and Health Committee in March 2025.

- 6.2 The LGSCO set 'recommendations' to stipulate what the council can do to improve their service or to remedy any fault found. The LGSCO were satisfied we had successfully implemented their recommendations in all of their cases.
- 6.3 There have been no whistle blowing disclosures received directly within the Directorate. The process of whistle blowing is reinforced through essential training requirements for all staff to ensure they are aware of and understand the Whistleblowing policy and promotion of the channels people can use to raise concerns. This includes both within the Directorate and wider Council channels. Concerns received via the Audit and Risk Management team are reported to this committee separately and the Directorate will also be reviewing their processes to ensure staff are aware of the policy requirements and all incidents are logged in line with the policy.
- 6.4 On the 11th of November the Executive Director of Adults, Health and Commissioning was notified of an inspection of the Council's Adult Social Care provision by the Care Quality Commission (CQC). The CQC assurance framework outlines the process that all Local Authorities will undertake. The first part of the assurance process involved the submission of a self-assessment document and evidence to support the areas requested by CQC as part of the information return. This was submitted to CQC on the 6th of December 2024.
- 6.4 CQC will undertake an on-site visit within the next 6 months. We will receive 6-8 weeks' notice of the on-site visit and the directorate is working with staff and partners to prepare for this.
- 6.5 CQC will produce a written report on their assessment on assurance of the council undertaking adult social care across Cambridgeshire, the report will include a single word 'score'; Inadequate, Requires Improvement, Good or Outstanding.

7.0 Appendices

7.1 The following appendices are attached to this report:

- APPENDIX 1 – Executive Director Adults Health and Commissioning Annual Assurance Statement 2024
- APPENDIX 2 – Executive Director Adults Health and Commissioning Actions within the Annual Governance Statement Action Plan
- APPENDIX 3 - Audit Actions Overdue in Adults Health and Commissioning as at December 2024

8.0 Accessibility

8.1 An accessible version of the information contained within this report and appendices is available on request from the report author.