



Item No. 6

Meeting Date Wednesday 15th April 2026

**Glasgow City
Integration Joint Board
Finance, Audit and Scrutiny Committee**

Report By: Chief Internal Auditor for the Integration Joint Board

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High-Cost Care Arrangements

Purpose of Report:

To present to the Glasgow City Integration Joint Board Finance, Audit and Scrutiny Committee details of the internal audit work undertaken in relation to High-Cost Care Arrangements

Background/Engagement:

The Integration Joint Board is required to comply with Article 7 of the Local Authority Accounts (Scotland) Regulations 2014. The regulations require a local authority to operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing.

Governance Route:

The matters contained within this paper have been previously considered by the following group(s) as part of its development.

- HSCP Senior Management Team
- Council Corporate Management Team
- Health Board Corporate Management Team
- Council Committee
- Update requested by IJB
- Other
- Not Applicable

Recommendations:

The IJB Finance, Audit and Scrutiny Committee is asked to:

- a) note the content of the report.

Relevance to Integration Joint Board Strategic Plan:

To provide assurance on various aspects of the Strategic Plan.

Implications for Health and Social Care Partnership:**Reference to National Health & Wellbeing Outcome:**

n/a

Personnel:

There are no direct implications for staff as a result of the content of this paper.

Carers:

There are no direct implications for carers as a result of the content of this paper.

Provider Organisations:

There are no direct implications for provider organisations as a result of the content of this paper.

Equalities:

n/a

Fairer Scotland Compliance:

n/a

Financial:

There are no financial implications as a result of the content of this paper.

Legal:

The IJB will be compliant with:

- The Integrated Resource Advisory Group guidance in relation to audit provision.
- The Local Authority Accounts (Scotland) Regulations 2014.

Economic Impact:

There is no direct wider economic impact within the city as a result of this report.

Sustainability:

There are no direct sustainability implications as a result of the content of this paper.

Sustainable Procurement and Article 19:

There are no direct sustainable procurement and Article 19 implications as a result of the content of this paper.

Risk Implications:

Internal Audit facilitates the reduction of risks identified during the audit process.

Implications for Glasgow City Council:

The Internal Auditors of Glasgow City Council will continue to report to the Council on operational matters relating to Social Care services.

Implications for NHS Greater Glasgow & Clyde:

The Internal Auditors of the NHSGGC will continue to report to the NHS Board on operational matters relating to NHS services.

1 Introduction

- 1.1 As part of the agreed Internal Audit plan, we have carried out a review of high-cost care arrangements.
- 1.2 High-cost care packages refer to tailored support plans put in place for individuals with complex health or social care needs to ensure that people with severe disabilities, longer term conditions, or multiple care requirements receive an appropriate level of support. Typical examples may include 24 hour supported living packages, specialist residential placements or care packages requiring multiple carers or overnight support.
- 1.3 The high financial value and complexity of these arrangements mean that they should be subject to robust governance arrangements and oversight to ensure the protection of both vulnerable people and public funds, whilst meeting statutory care duties.
- 1.4 All social care packages, including those of higher value, are managed by the Glasgow City Health and Social Care Partnership (HSCP).
- 1.5 The purpose of the audit was to gain assurance that high-cost care packages are subject to appropriate controls and governance arrangements and that these controls are operating effectively. The scope of the audit included a review of the following areas:
 - Policies and procedures
 - Roles and responsibilities
 - Eligibility and decision-making
 - Procurement, commissioning and Value for Money
 - Financial and operational monitoring arrangements
 - Reporting arrangements
- 1.6 We did not assess or comment on the appropriateness of decisions made in relation to care packages.

2 Audit Opinion

- 2.1 Based on the audit work carried out a **reasonable** level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements with **two recommendations** and **one service improvement** which management should address.

3 Main Findings

- 3.1 We found that some key controls are in place and generally operating effectively. The HSCP has a duty to assess care needs under the Social Work (Scotland) Act 1968. Care needs are assessed through the completion of a multi-disciplinary scored needs-based assessment process. Cases are discussed through a Social Work Resource Allocation Monitoring (RAM) Meeting (which comprises senior operational staff involved in managing individual care) who will challenge assumptions in proposed care plans and ensure that alternative care options have been explored before agreeing an indicative budget allocation for meeting the care needs identified for each individual care user.
- 3.2 The assessment process has been clearly documented, and details are available to officers involved in the process. All care packages are assessed through this process irrespective of the proposed care cost, however, the approval routes followed will differ depending on the value of the proposed care package.
- 3.3 Under the Glasgow City Council Standing Orders for Contracts 2022 (Standing Orders), specific contract arrangements require to be followed for bespoke care contracts or those exceeding £221,180 per annum, this is overseen by the HSCP Commissioning Team (Commissioning).
- 3.4 The IJBs Scheme of Delegation (SOD) and the Council's Standing Orders set out specific roles for the Chief Officer, Chief Officer, Finance and Resources, and Chief Social Work Officer with higher value care packages requiring approval from more senior levels of management (e.g. a Head of Service or Assistant Chief Officer). Bespoke care packages and those over the value of £221,180 require collective approval from senior management through a formal business meeting in line with the documented arrangements above. The SOD also outlines the arrangements for approving changes to packages, where the level for approval required is determined by the revised care package cost. The thresholds limits within the SOD are currently being reviewed by senior officers within HSCP to ensure they remain valid.

- 3.5 Care packages are not put into place until formal approval is provided. However, in some cases, there may be a need for emergency care and arrangements have been agreed to ensure that care is provided in the interim period until formal approval of a permanent care package is granted.
- 3.6 Care providers are paid and monitored through a four weekly autopayment. The HSCP Finance Team verify care rates against contract arrangements and monitor any variances in the 4-weekly payments to ensure they are valid (for example, due to a variation in care).
- 3.7 Whilst there is a defined value of high-cost care within the Standing Orders, we were advised that, for care management purposes, the financial value limit for a high-cost care package may be lower than the £221,180 per annum threshold. For the purposes of the audit it was agreed with senior managers to consider care packages valued over £100,000 per annum as being high-cost for care management purposes.
- 3.8 We reviewed a sample of ten higher value care packages (five with an annual cost of between £100,000 and £221,180 per annum and five above the £221,180 threshold) and found full compliance with the relevant governance arrangements set out by the SOD and Standing Orders. Specifically:
- Approval of new care packages / changes in these care packages had been correctly authorised in line with the SOD limits for all ten cases reviewed.
 - In all ten cases, the correct provider rates had been applied at the appropriate time, and any cost changes arising from care variations were implemented correctly across all cases reviewed.
- Commissioning involvement was not required in six of the ten sample cases reviewed as the care package was below the £221,180 threshold and had either been met through an existing contract, was a direct payment arrangement or had been approved under legacy arrangements. Evidence of provider rate benchmarking and due diligence checks was available for the remaining four cases.
 - An additional five bespoke care packages developed by Commissioning were also selected for review. Documentation confirmed that appropriate procurement and approval procedures had been followed and evidence of rate benchmarking and due diligence checks could be provided for all of these cases.
- 3.9 However, our audit testing found that there are some areas of non-compliance. We were advised that, for care management purposes, senior management would generally classify a care package as being “high cost” where the cost breached a recognised benchmark or threshold for that care sector and therefore, may differ from the £100,000 value that was advised. These values are not formally defined.
- 3.10 The documented procedures state that all care packages, including those of a higher value, should be reviewed at a minimum every two years or sooner if there is a significant change in the service user or provider circumstances. However, through our sample testing, we found that a full assessment of care needs is not being undertaken as standard as part of this review process. This included one case where a full needs assessment had not been completed

as part of the handover process where the service user was transitioning between different care levels (for example, from Children's Services to Adult Services or from Adult Services to Older People Services). Management is aware of this issue, and as a temporary measure to ensure reviews are happening, a review period of every four years has recently been agreed to resolve the issue. Thereafter management plan on reinstating the two-yearly review period.

- 3.11 We recognise that enhanced scrutiny and monitoring will be necessary in cases where the service user is high risk. However, we found that higher value care packages are not subject to any specific or enhanced governance arrangements (including the collation and review of any performance data) to ensure that management has appropriate visibility and assurance that they are being assessed and monitored in line with agreed procedures (for example, to ensure that service user reviews are being completed as expected).
- 3.12 In one of the ten sample cases reviewed, we identified that there had been an underspend in the direct care budget allocated to a service for the arrangement of care. Although this had been recovered by Finance at the year end, we were not able to obtain any evidence to demonstrate that the under-utilisation of the care budget allocated had been discussed as part of the assessment of the service users care needs and whether alternatives to the care package were considered.
- 3.13 Records in relation to all care packages, including those of higher value, are held on the Care First system but updates

are mainly recoded through the notes function. Throughout our sample testing, we found that the level of detail varied between users and as such, affected the quality of the audit trail.

- 3.14 An action plan is provided at section four outlining our observations, risks, and recommendations. We have made two recommendations and one service improvement. The priority of each recommendation is:

Priority	Definition	Total
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	0
Medium	Less critically important controls absent, not being operated as designed or could be improved.	2
Low	Lower-level controls absent, not being operated as designed or could be improved.	0
Service Improvement	Opportunities for business improvement and/or efficiencies have been identified.	1

- 3.15 The audit has been undertaken in accordance with the Global Internal Audit Standards in the UK public sector.
- 3.16 We would like to thank officers involved in this audit for their cooperation and assistance.
- 3.17 It is recommended that the Chief Internal Auditor submits a further report to the IJB Finance, Audit and Scrutiny

Committee on the implementation of the actions contained in the attached Action Plan.

4 Action Plan

No.	Observation and Risk	Recommendation	Priority	Management Response
Key Control: The care needs of service users in receipt of high-cost care packages are subject to appropriate governance and review.				
1	<p>Although a defined value of high-cost care for contractual purposes is captured within the Standing Orders, we experienced delays in identifying which care packages should be considered high-cost for care management purposes and found that these values had not been formally defined.</p> <p>Senior officers noted that they would generally classify a care package as “high cost” where the value exceeds a recognised benchmark or threshold cost for that type of care and we recognise that this will differ across the different care sectors where the nature of care may be more specialist and / or complex and therefore more expensive. The value may therefore differ from the £100,000 value advised to us.</p> <p>The documented procedures state that a full re-assessment of care needs for all service users, including those classified as high cost / higher value, should be completed every two years or earlier if required. However, for the sample of 10 higher value care packages reviewed, we found:</p> <ul style="list-style-type: none"> Three cases where a review was not yet due or had been completed as expected. 	<p>Management should:</p> <ul style="list-style-type: none"> Formalise what would be classified as “high-cost” care package for care management purposes across each of the different care sectors for which care is provided. Review the current governance arrangements to determine whether specific arrangements should be adopted for the ongoing review and monitoring of higher cost care packages (including those cases where the service user is transitioning between care levels). Thereafter, a process of spot checking of care packages should be introduced to ensure that reviews are being undertaken within the agreed timelines and to the correct process. Consider whether performance data relating to the completion of reviews should be collated and reported as part of this process. 	Medium	<p>Response:</p> <p>Bullet 1. Accepted.</p> <p>Bullet 2 and 3. Accepted. Care Management teams will put a process in place to undertake spot checks as recommended.</p> <p>Officer Responsible for Implementation:</p> <p>Assistant Chief Officers in each care group.</p> <p>Timescales for Implementation:</p> <p>31 August 2026</p>

No.	Observation and Risk	Recommendation	Priority	Management Response
	<ul style="list-style-type: none"> • One case where a review had not been undertaken in the last two years. • Six cases where, although a review had taken place in the last two years, this had only been completed through a more informal review form and had not extended to a full assessment of the service user needs. One of these cases related to a service user who had had transitioned from Children’s Services to Adult Services. Although explanations were provided, a full assessment had not been completed as part of handover process as required by the Transitioning Protocol. <p>Higher value care packages are not subject to any specific or enhanced governance arrangements (including the collation and review of any performance data) to ensure that management has appropriate visibility and assurance that they are being assessed and monitored and in line with agreed procedures, and to promote the protection of vulnerable individuals and appropriate use of public funds.</p> <p>If care needs are not being fully assessed at regular intervals, there is an increased risk that the service user could be on a higher cost care package than they should be and therefore money is going to the wrong user, and the budget could be used elsewhere.</p>			

No.	Observation and Risk	Recommendation	Priority	Management Response
Key Control: Underspends in high-cost care packages are considered as part of the ongoing care needs assessment process.				
2	<p>Service users have an option to receive direct payments to facilitate their care package.</p> <p>Direct payment underspends are reported four weekly and recovered where appropriate during the year. Details of such underspends are shared with the operational teams so that these can be discussed as part of the ongoing assessment of the service user's care needs.</p> <p>We reviewed one case where the service user had been in receipt of a direct payment and a recovery of a proportion of the budget had been actioned by the finance team. We were able to confirm that the funds had been recovered. However, evidence was not retained to demonstrate the underspend in budget allocation being discussed as part of the assessment of the service users care needs and care package options.</p> <p>This increases the risk that the care packages being provided are not aligned to the care needs of the service users and optimal use of resources is not being achieved.</p>	<p>Management should review and update the current arrangements to ensure a clear audit trail is maintained to demonstrate that budget underspends identified as part to the financial monitoring process are formally captured as part of the care needs assessment process, to identify whether any changes in care packages are required.</p> <p>The outcome of discussions and reasons for decisions made (including cases where no change was deemed to be required) should be clearly documented.</p>	Medium	<p>Response:</p> <p>Accepted. Process will be reviewed and amended to tie this back to care management.</p> <p>The timescale noted reflects the period required to action all relevant cases.</p> <p>Officer Responsible for Implementation:</p> <p>Assistant Chief Officer, Finance</p> <p>Timescales for Implementation:</p> <p>31 May 2027</p>

No.	Observation and Findings	Service Improvement	Management Response
3	<p>Care management details are captured through the Care First System. However, through our review, we found updates were often facilitated through the “notes facility” on the system which was entered as “free text” by the officer involved in the review process.</p> <p>As such, the level of detail varied across the different cases reviewed which impacted the quality of the audit trail that was in place to demonstrate the review and assessment processes that had been followed for the service users.</p>	<p>Management should consider:</p> <ul style="list-style-type: none"> Defining the minimum requirements for the completion of open text fields, including the use of template or pro-forma documents where relevant. Conducting spot checks thereafter to verify that these are being complied with to improve consistency, completeness and overall reliability of the information captured. 	<p>Response:</p> <p>Accepted. The HSCP is currently progressing a project for the replacement of Care First and changes to the existing system will only be progressed where these are business critical. In the meantime, operational guidance will be issued.</p> <p>Officer Responsible for Implementation:</p> <p>Head of Service, Older People</p> <p>Timescales for Implementation:</p> <p>31 May 2026</p>