

FINAL INTERNAL AUDIT REPORT
CHILDREN'S SOCIAL CARE DEPARTMENT

REVIEW OF LOOKED AFTER CHILDREN

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Prepared by: Principal Auditor

Reviewed by: Head of Audit & Assurance,

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REVIEW OF LOOKED AFTER CHILDREN

INTRODUCTION

1. This report sets out the results of our audit of Looked After Children. The audit was carried out as part of the work specified in the 2019-20 Internal Audit Plan agreed by the Section 151 Officer and Audit Sub-Committee. The controls we expect to see in place are designed to minimise the Council's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be addressed by management.
2. Where a decision has been made that a child requires a residential placement, the child's social worker should request a placement by submitting a referral to the Central Placements team.
3. In making this request, the social worker will be asked to provide information about the child, the type of placement sought, the Care Plan, the date by which the placement is required, the likely length of time for which the placement is required and the expected level of contact between the child and parents. The social worker should also outline any risks associated in making the placement.
4. The Placement Officer will check whether a residential placement is available that appears to be appropriate to meet the child's needs. If such a placement is available or if there is a possibility of a placement by the required date, the social worker will be advised accordingly.
5. If no appropriate in-house fostering placements are available and the child requires a placement without delay, the Placement Officer will obtain the agreement of the Head of Service for the child being placed and contact other providers to identify a suitable placement.
6. Applicable legislation is Children's Act 1989 and Care Planning, Placement and Care Review Regulations 2010.
7. A sample was selected from a report provided by the Head of Service as this contained all the current residential placements within the looked after children service.
8. It should be noted that the current Head of Service and Group Manager have not been in post for long.
9. We would like to thank all staff contacted during this review for their help and co-operation.

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AUDIT SCOPE

10. The original scope of the audit was outlined in the Terms of Reference issued on 15/7/2019 and commencement in September 2019.

The key risks covered within this audit included the following:-

- Assessment & Reviews are not undertaken as expected.
- Payments for Placements are not correct.
- Residential placements are not procured as expected.
- Monies are not recovered in relation to joint funding arrangements.

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AUDIT OPINION

11. Our overall audit opinion, number and rating of recommendations are as follows.

AUDIT OPINION	
Limited Assurance	(Definitions of the audit assurance level and recommendation ratings can be found in Appendix B)

Number of recommendations by risk rating		
Priority 1	Priority 2	Priority 3
1	6	1

SUMMARY OF FINDINGS

10. Our testing identified the following issues which we would like to draw to management’s attention:-

a) Pathway Plans

It was found through testing that one of the Pathway Plans for Sample 17 dated 2/12/19 had not been authorised at the time of testing. This was retrospectively authorised by the Head of Service on 18/3/20.

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b) Contract Queries

The following queries arose with the following sample cases at the time of testing :-

- The contract in respect of Sample 4 has a start detailed of 19/11/19 but the service agreement which is yet to be authorised at the time of testing has a start date of 15/11/19.
- In the contract for Sample 11 the contract states the Social Services Contribution is £6,471.43 per night instead of £671.43.
- Contracts could not be located on the case management system for the placement for Sample 1 commencing on 29/11/19 or for the placement for Sample 6 commencing 11/1/19 or for Sample 13 commencing 10/10/19.
- The contract held on the case management system for Sample 15 had not been fully signed.

c) 18+ Placements

For Sample 13 at the time of selecting the sample, this child was age 17 according to the spreadsheet provided and was a looked after child. A new placement was set up on the case management system from 10/10/19 costing £745 per week. This service user now fell under the Leaving Care Team. Confirmation was sought that the required contract was in place for this placement. The service agreement was authorised by the Team Manager on 24/10/2019 after the placement had commenced. Enquiries with the Team Manager and the Group Manager confirmed by email that there were no contracts completed for the 18+ placements which also relates to Sample 13. The Group Manager who has not been in post that long advised that he will be meeting with Commissioning to address this. The Auditor has requested a copy of a report from the Group Manager to determine how many 18+ placements there are without a valid contract in place. The report has since been provided and the Group Manager believed that there were 99 such placements without the required contact in place.

d) Payments

For Sample 10, the service agreement commenced on 25/4/16 at a weekly cost of £3,600 and is ongoing. The notes on the service agreement states 'The cost will be £3,600 per week (2:1 care) at first and then reducing to £2,800 per week (1:1 care) thereafter – TBC'. It is unclear why the weekly fee has not been reduced.

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e) Waivers

The waivers could not be located in respect of Sample 1 with a placement commencing 29/11/19; Sample 4 with a placement commencing 19/11/19 and Sample 10 with a placement commencing 25/4/16.

f) Split Funded Placements

One of the split funded placements, Sample 6, raised queries during testing.

- For Sample 6 the total weekly cost is £4,900 and the notes on the case management system specify a split funded package with Health contributing £944 per week and Education contributing £748 per week. The contract for this placement could not be located on the case management system. The waiver specifies the same split, but the contributions from Health and Education are to be confirmed. SEN confirmed that they have received no costs or paid any invoices to date.

g) Funding Decision Sheets (FDS)

The FDS is completed to approve the funding decision.

In one case it was found that the FDS dated 14/10/19 made no mention of costs or provider (Sample 1).

The FDS dated 24/5/19 for Sample 18 was found not to have been authorised.

h) Placement decision and cost of placements

The Head of Service (Care and Care Leavers) confirmed that a number of decisions regarding placement choices/ approvals and costs are being made outside of panel and instead via email.

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DETAILED FINDINGS / MANAGEMENT ACTION PLAN

11. The findings of this report, together with an assessment of the risk associated with any control weaknesses identified, are detailed in Appendix A. Any recommendations to management are raised and prioritised, together with management's responses and timescales for implementation. Appendix B details the definition of the audit assurance and priority ratings.

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DETAILED FINDINGS AND ACTION PLAN

APPENDIX A

No	Finding	Risk	Recommendation and Priority *Raised in previous Audit	Management Response	Agreed timescale and responsible manager
1	<p><u>Pathway Plans</u> It was found through sample testing one of the Pathway Plans for Sample 17 dated 2/12/19 had not been authorised at the time of testing. This was retrospectively authorised by the Head of Service on 18/3/20.</p>	It is unclear if the plan and the actions contained have been agreed or authorised.	<p>Pathway Plans should be formally authorised on the appropriate documents.</p> <p style="text-align: center;">Priority 3</p>	Pathway plans are signed off by TMs and actions are reviewed on ongoing basis. They are always completed on agreed documents. Our performance data shows when pathway plans have been completed and outstanding work can be tracked therefore.	<p>This oversight is in place and tracked through performance data.</p> <p>Head of Service, Children Looked After (CLA) & Care Leavers.</p>
2	<p><u>Contract Queries</u> The following queries arose with the following sample cases :- The contract in respect of Sample 4 has a start detailed of 19/11/19 but the service agreement which is yet to be authorised at the time of testing has a start date of 15/11/19.</p>	Legal documents are incorrect and/or not available, leading to disputes between parties involved.	<p>Contract documentation should be accurate, complete and readily available.</p> <p style="text-align: center;">Priority 2</p>	In respect of Sample 4 the young person was due to have pre-placement visits which were chargeable but were prior to dates of the accommodation, so the contract was drafted with earlier start date of the placement rather than the start dates of a service.	

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	<p>The contract for Sample 11 the contract states the Social Services Contribution is £6,471.43 per night instead of £671.43. Contracts could not be located on the case management system for the placement for Sample 1 the contract commencing on 29/11/19; contract in relation to Sample 6 commencing 11/1/19 and the contract for Sample 13 commencing 10/10/19 could not be located.</p> <p>The contract held on the case management system for Sample 15 had not been fully signed.</p>			<p>In respect of Sample 11 this was a typing error and in other areas of the document the correct fees was recorded multiple times</p> <p>Documentation was in place but filed incorrectly. Staff have been reminded to ensure that paperwork is filed in the correct place.</p> <p>Contracts are issued but it is not always possible to obtain signatures from providers</p>	<p>Immediately.</p> <p>Head of Service, Placements & Brokerage.</p>

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3.	<p><u>18+ Placements</u></p> <p>For Sample 13 at the time of selecting the sample, this child was age 17 according to the spreadsheet provided and was a looked after child. A new placement was set up on the case management system from 10/10/19 costing £745 per week. The service agreement was authorised by the Team Manager on 24/10/2019 after the placement had commenced. Enquiries with the Team Manager and the Group Manager who confirmed by email that there were no contracts completed for the 18+ placements which also relates to Sample 13. The Group Manager advised that he will be meeting with Commissioning to address</p>	<p>The placements may not be delivering the service that is due to be provided if there is no formal contract in place. This could lead to disputes between parties involved.</p>	<p>All residential placements must be supported by a valid contract. This case demonstrates that Financial Regulations and Contract Procedure Rules were not adhered to.</p> <p>A review of all placements will need to be undertaken once the report is available to ensure that the relevant contractual documentation is in place. These should be held securely.</p> <p>Service agreements should not be authorised which will result in a payment being made to the provider, until the signed contract accepting the terms and conditions have been accepted.</p> <p style="text-align: center;">Priority 1</p>	<p>This was a significant gap in LCT 18+ service. Previous GM and Placement manager had not put this in place. New placement officer and GM met with commissioning in March and are using templates for contracts in place for under 18s to be consistent across Bromley. Contracts are now in place for all new placements being made from beginning of April and placement officer is working through backlog of all existing placements to write to them and establish a contract. We are also using similar templates for floating support contracts to those in place with Contractor A.</p> <p>Reporting on CF has also been changed to bring placement referral and</p>	<p>Placement officer will need 3 months to complete back log of all existing placements. Deadline- end of June 2020.</p> <p>Group Manager, Leaving Care Team.</p>

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	<p>this. The Auditor requested a copy of the report from the Group Manager to determine how many 18+ placements there are without a valid contract in place. A copy of the report was provided and the Group Manager stated that he believes that there may 99 such placements without the required contract in place.</p>			<p>service agreement on to CF so we can run reports. Support hours and accommodation costs will also be split on CF so we can track changes more effectively</p>	

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4.	<p><u>Payments</u> For Sample 10 the service agreement was commencing 25/4/16 at a weekly cost of £3,600 and is ongoing. The notes on the service agreement states 'The cost will be £3,600 per week (2:1 care) at first and then reducing to £2,800 per week (1:1 care) thereafter – TBC'. It is unclear why the weekly fee has not been reduced.</p>	The Authority may be funding part of the placement unnecessarily.	<p>Weekly costs should be regularly reviewed in order to confirm whether additional support is no longer required.</p> <p style="text-align: center;">Priority 2</p>	Changes in care packages are brought to placement panel and reviewed regularly.	<p>Ongoing.</p> <p>Head of Permanency Service & DCT.</p>
5.	<p><u>Waivers</u> Waivers could not be located in respect of Sample 1 with a placement commencing 29/11/19; Sample 4 with a placement commencing 19/11/19 and Sample 10 with a placement commencing 25/4/16.</p>	Costly Residential placements may not have been procured correctly.	<p>Waivers should be completed, held securely and be readily available.</p> <p style="text-align: center;">Priority 2</p>	Waivers were all in place but had been misfiled. Staff have been reminded to ensure they store document correctly.	<p>Immediately.</p> <p>Head of Service, Placements & Brokerage.</p>

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No	Finding	Risk	Recommendation and Priority *Raised in previous Audit	Management Response	Agreed timescale and responsible manager
6.	<p><u>Split Funded Packages</u> One of the split funded placements Sample 6, raised queries during testing. For Sample 6 the total weekly cost is £4,900 and the notes on the case management system specify a split funded package with Health contributing £944 per week and Education contributing £748 per week. The contract for this placement could not be located on the case management system. The waiver specifies the same split, but the contributions from Health and Education are to be confirmed. The SEN Data & Finance Manager confirmed that no invoice has been received and that there would be an</p>	<p>Information relating to these packages is not correctly recorded.</p> <p>Budgets may not be correct and services may not be correctly charged.</p> <p>Delays in payments to providers and disputes between parties as to what has been agreed.</p>	<p>Split Funded packages must be clearly documented and be fully agreed. Monies should be recouped as agreed.</p> <p>Information in relation to split funded packages should be readily available and also in a timely manner.</p> <p>Departments should work together to share relevant information.</p> <p style="text-align: center;">Priority 2</p>	<p>The process for agreeing split funding requires further review.</p> <p>This will be undertaken by Heads of Service by 1 July 2020.</p>	<p>July 1st 2020</p> <p>Head of Service, Placements & Brokerage/ Head of SEN Service.</p>

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	<p>education element to pay.</p> <p>It was confirmed by the Head of Service, SEN on 27/4/20 that they had received no costs or paid any invoices to date.</p>				

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No	Finding	Risk	Recommendation and Priority *Raised in previous Audit	Management Response	Agreed timescale and responsible manager
7.	<p><u>Funding Decisions Sheets (FDS)</u></p> <p>The FDS is completed to approve the funding decision.</p> <p>In one case it was found that the FDS made no mention of costs or provider (Sample 1).</p> <p>The FDS dated 24/5/19 for Sample 18 was found not to have been authorised.</p>	<p>Informed decisions cannot be made without key information being provided.</p> <p>FDS forms may not have been completed.</p> <p>Processes are not adhered to and placements are not suitably authorised.</p>	<p>The FDS forms should be fully completed and key information such as potential costs/ details of the proposed providers should be populated.</p> <p>Completed FDS forms should be readily available to support decisions taken and completed in a timely manner.</p> <p>All FDS forms should be suitably authorised.</p> <p style="text-align: center;">Priority 2</p>	<p>When a placement is identified for an individual the costs are submitted to the Head of Service for approval at the time. The placement /case will be referred/reviewed at the first possible panel after placement start for ratification and the FDS will be completed at the time.</p> <p>On some occasions, a decision will be made at panel for a placement to be sourced. The decision recorded therefore will be an “in principle” decision where no costs are available.</p>	<p>Head of Service, Placements & Brokerage/ Head of SEN Service.</p>

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8.	<p><u>Placement decision and cost of placements</u></p> <p>The Head of Service (Care and Care Leavers) confirmed that a number of decisions regarding placement choices/ approvals and costs are made outside of panel and instead via email.</p>	<p>Information relating to individual placements are not readily accessible and available and therefore approval documentation is not available. Placements may not be authorised correctly.</p>	<p>Placements should be formally approved at panel but in instances where decisions are made outside of panel then the relevant email approval documentation will need to be uploaded to the case management system, to confirm approval of placements.</p> <p style="text-align: center;">Priority 2</p>	<p>Head of Service to upload email to the case management system when funding decision made in an emergency. All new placements are heard at earliest panel currently.</p>	<p>April 2020.</p> <p>Head of Service, Children Looked After (CLA) & Care Leavers.</p>

OPINION DEFINITIONS

Assurance Level

Assurance Level	Definition
Substantial Assurance	There is a sound system of control in place to achieve the service or system objectives. Risks are being managed effectively and any issues identified are minor in nature.
Reasonable Assurance	There is generally a sound system of control in place but there are weaknesses which put some of the service or system objectives at risk. Management attention is required.
Limited Assurance	There are significant control weaknesses which put the service or system objectives at risk. If unresolved these may result in error, abuse, loss or reputational damage and therefore require urgent management attention.
No Assurance	There are major weaknesses in the control environment. The service or system is exposed to the risk of significant error, abuse, loss or reputational damage. Immediate action must be taken by management to resolve the issues identified.

Recommendation ratings

Risk rating	Definition
Priority 1	A high priority finding which indicates a fundamental weakness or failure in control which could lead to service or system objectives not being achieved. The Council is exposed to significant risk and management should address the recommendation urgently.
Priority 2	A medium priority finding which indicates a weakness in control that could lead to service or system objectives not being achieved. Timely management action is required to address the recommendation and mitigate the risk.
Priority 3	A low priority finding which has identified that the efficiency or effectiveness of the control environment could be improved. Management action is suggested to enhance existing controls.