

Final Internal Audit Report

Fostering - Governance over Foster Carers

February 2023

Distribution: Interim Corporate Director of Children, Young People and Education (DCS and Caldicott Guardian)
Director of Children's Social Care
Head of Social Work with Children Looked After & Care Leavers
Service Manager
Team Manager Fostering Service
Corporate Director of Resources and S151 Officer

Assurance Level	Issues Identified	
Substantial Assurance	Priority 1	0
	Priority 2	2
	Priority 3	0

Confidentiality and Disclosure Clause

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Croydon and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

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Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

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1. Introduction

- 1.1. The Fostering Regulations 2011 provides the legal framework within which all fostering service providers must work. This includes regulations governing the assessment and approval of carers and the placement of children in foster care.
- 1.2. Children's Services within the Children's Social Care directorate is responsible for providing social work support for children and families in the London Borough of Croydon (the 'Council').
- 1.3. The Council has produced a Statement of Purpose which sets out in detail the services that are provided for children and young people in foster placements. In summary, the key service aims and objectives are:
 - 1.3.1. To provide safe and appropriate foster care placements for children Looked After by the Council in accordance with the National Minimum Standards and Fostering Service Regulations 2011;
 - 1.3.2. To identify and co-ordinate placements of Looked After Children based on referrals from Children's & Families' Services;
 - 1.3.3. To recruit, assess, train and support carers who reflect the needs of Croydon's Looked After Children; and,
 - 1.3.4. To raise the profile of fostering in Croydon.
- 1.4. The Council, as of 31 March 2022, had in place 205 fostering households, responsible for the care of 559 children. There were 12 new foster carers approved within the financial year. A Fostering Panel is responsible for approving foster carers applications.
- 1.5. While our review and testing were performed remotely, we have been able to obtain all relevant documents required to complete the review.
- 1.6. This audit was undertaken as part of the agreed Internal Audit Plan for 2022/23. The objectives, approach and scope are contained in the Audit Terms of Reference at Appendix 1.

2. Key Issues

- 2.1 The key issues identified are as below:

Priority 2 Issues

Examination of the documentation relating to a sample of 15 foster carers identified that in two instances the Council was unable to evidence a planned supervision visit being completed within the agreed timescales. In addition, the Council were unable to evidence an unannounced visit being completed within the previous 12 months for one foster carer, with one foster carer demonstrating a review being completed but no report having been uploaded to the system. **(Issue 1)**

Priority 2 Issues

Review of the Council's Fostering Performance Dashboard for the w/c 29 July 2022 noted that 2.7% of DBS checks had not been reviewed within three years. Further review of Carer Level data noted that two carers were four and five months overdue, while two carers did not have a DBS date recorded and thus were raised as overdue. **(Issue 2)**

3. Actions and Key Findings/Rationale

Control Area 1. Announced Supervision Visits

Priority	Action Proposed by Management	Detailed Finding/Rationale - Issue 1
2	<ul style="list-style-type: none"> • Ensure that the missing records highlighted are completed via monitoring through supervision and oversight by the service manager. To be completed within 2 months. • Improve the performance around unannounced visits to ensure that managers and supervising social workers have these scheduled in advance. To be achieved within 3 months. • Improve the recording consistency of the foster carer supervision records, via dip sampling. To be achieved over the next 6 months. • Improve the performance and scrutiny around the timeliness of foster carer reviews. To be 	<p>Expected Control</p> <p>The Council’s Children Services Policy and Procedure document, Section 5.1.5 states that planned visits of foster carers “<i>should take place as appears necessary</i>”, with the Council defining this as a minimum of every 6 weeks. Formal annual reviews should also take place and unannounced visits should be completed at least once every 12 months. A report should then be completed and retained on the foster carer’s permanent file within the Children Services system.</p> <p>Finding/Issue</p> <p>A sample of 15 foster carers, who had been approved for over 12 months prior to the audit fieldwork, was selected and copies of the latest planned and unannounced visits requested to confirm whether these had been completed within the prescribed timescales. Our testing identified the following:</p> <p><i>Planned Supervision</i></p> <ul style="list-style-type: none"> - The Council held evidence to demonstrate that, for ten of the sample, a planned supervision visit was completed within the agreed timescale, with a report included within the foster carer’s electronic file; - The Council held evidence to demonstrate that, for three of the sample, a planned supervision visit was completed within the agreed timescales, however some minor errors were highlighted in the reports. These included date of next visit being incomplete or being a date either prior to the visit or the same day of the visit;

	<p>achieved over the next 6 months.</p>	<ul style="list-style-type: none"> - For two of the sample, the Council was unable to demonstrate a visit being completed within the prescribed timeframes. One foster carer was approved in February 2019 with no first review being recorded. While the other foster carer was approved in July 2020 with their first review being dated February 2022. <p><i>Unannounced Supervision</i></p> <ul style="list-style-type: none"> - Six of the sample had evidence that an unannounced visit had been completed within the previous 12 months, with a fully completed report included within the foster carer’s file; - Seven of the sample had evidence that an unannounced visit had been completed within the previous 12 months, however there were some minor issues identified. These included reports being inconsistent, for example using previous templates or having no date of next visit incorporated; - One had evidence that an unannounced visit had taken place within the 12 months through a case note supplied on the foster carer’s file. However, the visit was dated April 2022, with no report then being uploaded to the system as of August 2022; and - One did not have evidence that an unannounced visit had been completed within the previous 12 months. The previous visit report was dated July 2021, with the date of next review recorded as being due in September 2021. <p>Risk</p> <p>Where announced supervision visits are not completed within the Council’s prescribed timeframe, as per the Children Services’ policy and procedure documents, there is a risk that the Council will be non-compliant with internal procedures. Furthermore, there is a risk that the Council will be unaware of the potential environment to which the foster carer and the children they are caring for are operating within. This could lead to the Council being unaware of potential issues with current fostering placements, with these not being actioned in a timely manner.</p>
<p>Responsible Officer</p>	<p>Deadline</p>	
<p>Service Manager</p>	<p>06/03/2023 – 06/06/2023</p>	

2. DBS Checks within three years

Priority	Action Proposed by Management	Detailed Finding/Rationale - Issue 2				
2	<ul style="list-style-type: none"> Ensure that the overdue DBSs are completed. (31st January 2023). Strengthen the practice and timeliness relating to updating DBSs by ensuring that the recording of DBSs improves through regular quality assurance activity, focussing on any overdue and ensuring data is accurate. 	<p>Expected Control</p> <p>The Council’s Children Services Policy and procedure document, Section 5.1.6, states that “<i>Disclosure and Barring Service checks should be updated every three years...</i>” The Council should have in place a clear monitoring system outlining the date of last DBS check being completed and when this is due to be completed by.</p> <p>Finding/Issue</p> <p>Review of a copy of the Council’s Fostering Performance Dashboard for w/c 29 July 2022 noted that 2.7% of DBS checks had not been reviewed over the previous three years. Of 199 carers, this constituted four carers holding DBS checks over three years.</p> <p>On further review of foster carer level data taken from the Fostering system for August 2022, we noted for two carers:</p> <ul style="list-style-type: none"> - One was five months overdue - One was four months overdue <p>For the other two carers, they did not have a DBS date recorded and thus were raised as overdue.</p> <p>Risk</p> <p>Where DBS checks are not reviewed every three years for each carer, there is a risk that vulnerable children may be inadvertently placed with inappropriate individuals. This in turn could lead to serious safeguarding issues and potential reputation damage.</p> <p>Additionally, where monitoring data is incomplete, there is a risk management information reflecting an inaccurate representation of the underlying data set. This in turn could lead to certain responsible stakeholders to have an improper oversight of the function and its performance.</p>				
	<table border="1"> <thead> <tr> <th>Responsible Officer</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>Service Manager</td> <td>24/02/2023</td> </tr> </tbody> </table>	Responsible Officer	Deadline	Service Manager	24/02/2023	
Responsible Officer	Deadline					
Service Manager	24/02/2023					

AUDIT TERMS OF REFERENCE

Fostering: Governance over Foster Carers

Internal Audit

1. INTRODUCTION

- 1.1. The Fostering Regulations 2011 provides the legal framework within which all fostering service providers must work. This includes regulations governing the assessment and approval of carers and the placement of children in foster care.
- 1.2. Children's Services within the Children's Social Care directorate is responsible for providing social work support for children and families in Croydon.
- 1.3. Croydon Council has produced a Statement of Purpose that sets out in detail the services that are provided for children and young people in foster placements. The following is a summary of the key service aims and objectives:
 - 1.3.1 To provide safe and appropriate foster care placements for children Looked After by the Council in accordance with the National Minimum Standards and Fostering Service Regulations 2011;
 - 1.3.2 To identify and co-ordinate placements of Looked After Children based on referrals from Children's & Families' Services;
 - 1.3.3 To recruit, assess, train and support carers who reflect the needs of Croydon's Looked After Children; and,
 - 1.3.4 To raise the profile of fostering in Croydon.
- 1.4. This audit was undertaken as part of the agreed Internal Audit Plan for 2022/23.

2 OBJECTIVES AND METHOD

- 2.1 The overall audit objective is to provide an objective independent opinion on the adequacy and effectiveness of controls / processes.
 - The audit will for each controls / process being considered:
 - Walkthrough the processes to consider the key controls;
 - Conduct sample testing of the identified key controls; and
 - Report on these accordingly.

3. SCOPE





3.1 This audit included the following areas (and issues raised):

Control Areas/Risks	Issues Raised		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Legislative, organisational and Management Requirements	0	0	0
Set up, assessment and DBS checks of foster carers	0	0	0
Foster carers allowances and payments	0	0	0
Review of foster carers	0	2	0
Management Oversight	0	0	0
Total	0	2	0

Definitions for Audit Opinions and Identified Issues

In order to assist management in using our reports:

We categorise our **audit assurance opinion** according to our overall assessment of the risk management system, effectiveness of the controls in place and the level of compliance with these controls and the action being taken to remedy significant findings or weaknesses.

	Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are constantly applied.
	Substantial Assurance	While there is basically a sound system of control to achieve the system objectives, there are weaknesses in the design or level of non-compliance of the controls which may put this achievement at risk.
	Limited Assurance	There are significant weaknesses in key areas of system controls and non-compliance that puts achieving the system objectives at risk.
	No Assurance	Controls are non-existent or extremely weak, leaving the system open to the high risk of error, abuse and reputational damage.

Priorities assigned to identified issues are based on the following criteria:

Priority 1 (High)	Fundamental control weaknesses that require immediate attention by management to action and mitigate significant exposure to risk.
Priority 2 (Medium)	Control weakness that still represent an exposure to risk and need to be addressed within a reasonable period.
Priority 3 (Low)	Although control weaknesses are considered to be relatively minor and low risk, still provides an opportunity for improvement. May also apply to areas considered to be of best practice that can improve for example the value for money of the review area.

Statement of Responsibility

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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