

Report to:	AUDIT COMMITTEE
Relevant Officer:	Diane Booth, Director of Children's Services
Date of Meeting	16 November 2017

CHILDREN'S SERVICES – INTERNAL AUDIT REVIEWS

1.0 Purpose of the report:

1.1 To consider the actions taken to address the recommendations of the recent Internal Audit reviews in Children's Services.

2.0 Recommendation(s):

2.1 To consider the updates on the actions taken.

3.0 Reasons for recommendation(s):

3.1 The update is presented following a request from the Audit Committee at its last meeting on 14 September 2017.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None

4.0 Council Priority:

4.1 The relevant Council Priority is 'Communities: Creating stronger communities and increasing resilience'.

5.0 Background Information

- 5.1 At its meeting of 14 September 2017, the Audit Committee agreed to invite the Director of Children's Services be invited to attend the next meeting of the Committee in order to provide an explanation of the progress following recent Children's Service Internal Audit Reports.
- 5.2 Internal Audit has recently issued reports into four areas of Children's Services, those being External Placements, Placement Order Legal Costs, Adolescent Hub, and Safeguarding Children's Compliance. Below is a summary of the scope of each review and Internal Audit's Overall Opinion and Assurance Statement. The Action Plan from each audit review are included as the appendices to this report.

6.0 External Placements

- 6.1 Scope - to review the arrangements for Children's Social Care external placements in order to ensure that value for money is obtained for the Council.
- 6.2 Overall Opinion and Assurance Statement - There is a significant overspend on the commissioning of external placements budget, however we recognise that this has arisen with the recent increase in demand and complexity of requirements for independent children's homes and independent fostering agency placements beyond the level that had previously applied and that had been budgeted for. We consider that the controls now in place in relation to the arranging of External Placements processes once children are in care and have been assessed as needing placement are adequate overall, with some risks identified and assessed. There have been recent changes to external placements processes and to care provision which have the potential to improve value for money, though it is too early as yet to identify the impact of those changes.
- 6.3 Update - A Priority 2 Demand Plan is now in place and being monitored by the Corporate Delivery Unit Priority 2 Board.

7.0 Placement Order Legal Costs

- 7.1 Scope - to review:
- The drivers of increases in the number of care proceedings;
 - The process by which decisions as to whether to instruct Counsel in placement order cases or to handle in-house are arrived at; and
 - Whether insurance arrangements in place are appropriate.
- 7.2 Overall Opinion and Assurance Statement - The significant overspend on the Children's Services legal and court costs budget has arisen with the high level of demand and the complexity of requirements in relation to care proceedings and Placement Orders beyond the level that had been budgeted for.

- 7.3 Whilst there are structured processes in place through the Legal Planning meetings process, it is considered that the controls in place in relation to the Placement Orders Legal Costs processes are inadequate overall, given the significant level of overspend, the high level of care proceedings and the current lack of an up to date and effective prevention strategy which has had the effect of reducing the need for the high number of care proceedings whilst still protecting children.
- 7.4 A number of actions are being taken, but it is too early as yet to evidence the impact of these actions on the number of care proceedings. We understand that areas of action include a peer challenge process, an early help summit, work supporting children on the edge of care, developing work on the Adolescent Hub and the 0 – 19 offer through children’s centres.
- 7.5 The Council has insurance arrangements in place in relation to Children’s Services claims and a claims provision has been agreed using the Council’s general fund. The arrangements for the provisions for Children’s Services claims should be kept under review.
- 7.6 Update - A Priority 2 Demand Plan is now in place and being monitored by the Corporate Delivery Unit Priority 2 Board.

8.0 Adolescent Hub

8.1 Scope - to review:

- Governance arrangements;
- The approach to the management of Adolescent Hub risks;
- The systems and processes being established for the Adolescent Hub; and
- The processes for data collection and management.

8.2 Overall Opinion and Assurance Statement - The delivery of the Vulnerable Adolescent Hub is a key initiative which is currently in the process of implementation. At this current stage of Vulnerable Adolescent Hub development there are a number of material risks which are still to be addressed. Therefore we consider the current controls in place to be inadequate. Key areas that require further development include post-implementation governance arrangements, agreement of a finalised service strategy and definition of how the Hub fits in to an overarching strategic framework.

8.3 Update - All priority 1 actions have now been completed and priority 2 are ongoing and within timescale.

9.0 Safeguarding Children's Compliance

9.1 Scope - to undertake:

- Compliance testing on the safeguarding process and whether the required stages are being followed including:
- Completeness and quality of evidence on the care system,
- Timeliness of actions,
- Completion of tasks,
- Quality of meeting minutes and distribution within agreed timescales,
- SMARTness of child protection plans
- Review of the role of the Independent Reviewing Officers (IRO) and the effectiveness of multi-agency partnership working.

9.2 Overall Opinion and Assurance Statement - We consider that the control framework in place for the Safeguarding and Quality Review Service is adequate overall with some risks identified and assessed and some changes necessary to further enhance control.

9.3 However, our testing revealed weaknesses around the use of the issue resolution process and the effectiveness of administrative processes and therefore we have assessed these elements of the process as inadequate.

9.4 Update - The issues resolution process has been reviewed and is now being embedded.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix 3(a) – Internal Audit Report – External Placements

Appendix 3(b) – Internal Audit Report – Placement Order Legal Costs

Appendix 3(c) – Internal Audit Report – Adolescent Hub

Appendix 3(d) – Internal Audit Report - Safeguarding Children's Compliance

10.0 Legal considerations:

10.1 None

11.0 Human Resources considerations:

11.1 None

12.0 Equalities considerations:

12.1 None

13.0 Financial considerations:

13.1 Contained within the appendices.

14.0 Risk management considerations:

14.1 Contained within the appendices.

15.0 Ethical considerations:

15.1 None

16.0 Internal/ External Consultation undertaken:

16.1 None

17.0 Background papers:

17.1 None