



Internal Audit Report
Education and Children's Services
Approved Kinship Care Assignment No. 15-04
June 2015

Final Report

Chief Executive's Service
Finance Division
Perth & Kinross Council
Blackfriars Development Centre
North Port
Perth PH1 5LU

Internal Audit

“Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”. Public Sector Internal Auditing Standards (PSIAS)

On 27th March 2013, the Council’s Audit Committee approved PSIAS as the relevant standard for its Internal Audit activity.

Background and Introduction

This assignment forms part of the Internal Audit Plan for 2015/16, as approved by Audit Committee on 1st April 2015.

In accordance with legislation – in particular, the Adoption and Children (Scotland) Act 2007 and the Looked After Children (Scotland) Regulations 2009 – and related Scottish Government guidance, Children and Families’ Services, in Education and Children’s Services (ECS), are responsible for the arrangements for placing looked after children and young people with extended family or significant people in their lives, otherwise known as kinship care. The regulations and guidance govern how local authorities should assess the suitability of prospective kinship carers and their approval. As at April 2015, Perth and Kinross Council was responsible for 76 children looked after by 53 approved kinship carers.

Although the Care Inspectorate carries out regular inspections of PKC’s fostering and adoption services, and reports with positive conclusions – most recently, in July 2014 – kinship care arrangements are not within the scope of external scrutiny. The arrangements for kinship care were introduced by ECS in 2008 with approval by the Lifelong Learning Committee. In view of the absence of external scrutiny, the audit title and scope have been amended from those shown in the approved Annual Audit Plan (i.e., from “Fostering” and, “to ensure that arrangements are in place for the placement of children and young people and for the payment of allowances”).

In this report all references to “the Regulations” relate to the Looked After Children (Scotland) Regulations 2009; and references to “national guidance” relate to the Scottish Government sources, “Assessment and Support for Kinship Carers of Looked After Children”, and “Guidance on Looked After Children (Scotland) Regulations 2009 and the Adoption and Children (Scotland) Act 2007”. Detailed references have been provided to the Service.

Scope and Limitations

The audit examined the procedures applied by the Service to implement relevant legislation and national guidance; and evaluated the internal control arrangements in place which should assure Members that the Council’s responsibilities for assessing and approving kinship carers are being effectively discharged by the Service.

The audit consisted of a review of Service assessment procedures and of the assessment documentation held by the Service for a sample of six current Approved Kinship Carers. The audit was limited to approved kinship carers of children and young people identified as “looked after” in terms of relevant legislation and guidance – i.e., those for whom the Council has a legal responsibility. The audit did not examine arrangements for informal kinship care, which is not covered by regulations,

Internal Audit Report

“relatives’ care” or discretionary support, such as those described in the recent Report 15/212 to the Lifelong Learning Committee.

It should also be noted that the role of Children and Families’ Services in the lives of “looked after” children in kinship care extends far beyond the approval of their carers. For example, after placement the Service regularly monitors the well-being of such children via Looked After Children Reviews. As part of the Review process, a Service officer independent of the placement decision will verify that the placement is suitable for the child, at intervals of three days after first placement, six weeks, thirteen weeks, and six-monthly thereafter. Care planning decisions are made in relation to the child by their social worker and comply with legislation and permanence planning processes. These arrangements may also be scrutinised at Children’s Hearings. The scope of this audit did not include an examination of these aspects of Service activity.

Control Objectives and Opinions

This section describes the purpose of the audit and summarises the results. A ‘control objective’ is a management objective that requires the maintenance of adequate and effective internal controls to ensure that it is achieved. Each control objective has been given a rating describing, on the basis of the audit work done, the actual strength of the internal controls found to be in place. Areas of good or poor practice are described where appropriate.

Control Objective: To verify that there are effective arrangements in place to implement relevant legislation and national guidance on the placement of children and young people in kinship care	
<p>Auditor’s Comments: Audit found substantial improvement in the quality of kinship care assessments carried out in recent years since the establishment of a dedicated Kinship Care team from 2013 following the allocation of additional resources. In addition, in early 2014, a Kinship Care Panel was set up to review these assessments, and the Head of Service took on the role of final decision-maker on carer approval.</p> <p>Kinship carer assessments which pre-date the establishment of the Kinship Care team were not subject to the same level of scrutiny and approval and these cases have not all been systematically reviewed to ensure that they comply with regulations and national guidance.</p> <p>Audit confirmed internal control of current kinship care assessment is effective in those cases where a decision has been made to place the child with the carer. Assessments, which in some aspects go beyond the requirements of legislation, cover all essential aspects; are carried out by an experienced social worker; are subject to evidenced review by management; are considered by a Kinship Care Panel; and are endorsed by the Head of Service. With minor exceptions these measures satisfy Regulations and national guidance.</p>	
Strength of Internal Controls:	Moderate

Management Action and Follow-Up

Responsibility for the maintenance of adequate and effective internal controls rests with management.

Where the audit has identified areas where a response by management is required, these are listed in Appendix 1, along with an indication of the importance of each 'action point'. Appendix 2 describes these action points in more detail, and records the action plan that has been developed by management in response to each point.

It is management's responsibility to ensure that the action plan presented in this report is achievable and appropriate to the circumstances. Where a decision is taken not to act in response to this report, it is the responsibility of management to assess and accept the risks arising from non-implementation.

Achievement of the action plan is monitored through Internal Audit's 'follow up' arrangements.

Management should ensure that the relevant risk profiles are reviewed and updated where necessary to take account of the contents of Internal Audit reports. The completeness of risk profiles will be examined as part of Internal Audit's normal planned work.

Acknowledgements

Internal Audit acknowledges with thanks the co-operation of staff in ECS Children and Families' Services received during this audit.

Feedback

Internal Audit welcomes feedback from management, in connection with this audit or with the Internal Audit service in general.

Distribution

This draft report is to be distributed to:

B Malone, Chief Executive

J Fyffe, Executive Director, Education & Children's Services

B Atkinson, Depute Director, Education & Children's Services

J Pepper, Head of Children and Families' Services

L Richards, Service Manager, Children and Families' Services

D Gillespie, Team Leader, Children and Families' Services,

J Symon, Head of Finance

G Taylor, Head of Democratic Services

P Dickson, Complaints and Governance Officer

External Audit

Authorisation

The auditor for this assignment was R D Watt. The supervising auditor was M Morrison.

This report is authorised for issue:

Jacqueline Clark
Chief Internal Auditor
Date: 8 June 2015

Appendix 1: Summary of Action Points

No.	Action Point	Risk/Importance
1	PKC kinship care: policy and governance	Medium
2	Approval of kinship care placements	High
3	Service operational guidance	Medium
4	Medical reports on prospective carers	Low
5	Informing interested parties of carer approval	Medium
6	Case records for kinship carers	Low
7	Recording and analysing information on carers	Low
8	Kinship Carer Agreements	Medium

Appendix 2: Action Plan

Action Point 1 - PKC kinship care: policy and governance

The Lifelong Learning Committee has received limited information on how the implementation of the Council's statutory responsibilities for kinship care has evolved and expanded since 2008. (The recent Report 15/212, "Review of Kinship Care Arrangements", primarily described arrangements for discretionary support, which is not within the scope of this audit.) This lack of information on statutory kinship care, combined with the lack of external scrutiny of kinship care arrangements by the Care Inspectorate, contrasts with Service practice regarding fostering and adoption. Those activities are both regularly examined by the Care Inspectorate and regularly reported on by ECS to the Lifelong Learning Committee.

Management Action Plan

A report on Kinship Care will be prepared for consideration by the Lifelong Learning Committee.

Importance:	Medium
Responsible Officer:	J Pepper, Head of Children and Families Services
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	October 2015
Required Evidence of Completion:	Report to Committee

Auditor's Comments

Satisfactory

Action Point 2 - Approval of kinship care placements

The process to approve kinship care placements has developed over time. The establishment of a dedicated Kinship Care team led to improvements in the assessment and approval of such placements.

Kinship carer assessments which pre-date the establishment of this team were not subject to the same level of scrutiny and approval and these cases have not all been systematically reviewed to ensure that they comply with regulations and national guidance. The Service states that, in practice, there is an implicit consideration of the ongoing suitability of the placement and the ability of the kinship carers to meet the needs of the child as part of the Looked After Children Review undertaken every six months.

The Kinship Care team have made progress in ensuring that some older placements have been reviewed and plan to have this review completed by October. However some placements were not identified within this review.

In addition, there are currently no specific reviews of the kinship carer separate from the review of the child's plan.

Management Action Plan

1. The backlog of the identified placements will be completed by October 2015.
2. For those cases which were not identified within the review, the Looked After Children review, which takes place six monthly, will be enhanced to ensure compliance with all aspects of the national guidance.
3. The Looked After Children reviews will be augmented for all kinship care placements to include a specific periodic review of the kinship carer.

Importance:	High
Responsible Officer:	J Pepper, Head of Children & Families Services
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	October 2015
Required Evidence of Completion:	<ol style="list-style-type: none"> 1. Completion of review 2. The enhanced Looked After Children review 3. Looked After Children review for a kinship care placement

Auditor's Comments

Satisfactory

Action Point 3 - Service operational guidance

The Service's written procedures do not specify how emergency placements will be approved by line management. In addition, the written procedures do not identify when they were approved, or by whom; nor is there version control or review date specified. Consequently, it is difficult for the Service to evidence in retrospect that the correct procedures were followed and the appropriate controls applied.

Furthermore, although the Service's written guidance provides useful and practical information for operational staff, it does not identify quality assurance mechanisms by which senior management may be assured that fieldworking staff are performing their roles efficiently and effectively, subject to evidenced supervision by their line managers.

Management Action Plan

The operational guidance will be updated to include information regarding the approval of fast track kinship carer assessments.

The guidance will be subject to version control.

Importance:	Medium
Responsible Officer:	L Richards, Service Manager
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	September 2015
Required Evidence of Completion:	Updated operational guidance

Auditor's Comments

Satisfactory

Action Point 4 - Medical reports on prospective carers

The regulations require local authorities to consider prospective carers' "health (supported by a medical report)". The related Scottish Government guidance states that "The request for a medical report should highlight any area which is seen to be significant for this particular kinship carer and the child to be placed".

Audit of a sample of six assessments found no medical reports in two older cases. In the remaining four cases, the information provided by carers' GP's was found to be minimal – i.e., at best, a brief statement of the carer's past and current state of health.

The Kinship Care Panel includes a Medical Adviser; therefore in cases brought to panel, there is scope for direct review of the carer's fitness for the role. This opportunity has been available to the Service since the panel was set up in 2014.

Management Action Plan

The Service will review the arrangements with the newly appointed medical advisor and establish a template for GPs to complete which will better support the process.

Importance:	Low
Responsible Officer:	J Pepper, Head of children & Families Services
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	October 2015
Required Evidence of Completion:	Outcome from the review

Auditor's Comments

Satisfactory

Action Point 5 - Informing interested parties of carer approval

The regulations require local authorities to inform specified parties in writing of each placement with a kinship carer: e.g., the relevant Health Board; and in those cases where a child is placed with carers outside Perth and Kinross, the local council where the child is resident.

Of the six cases reviewed, two cases were of children placed outside Perth and Kinross. There was no documentation indicating local councils had been informed of the status of these children.

Management Action Plan

A letter will be issued to the relevant authority at the point of placement of the child with the kinship carer.

Importance:	Medium
Responsible Officer:	L Richards, Service Manager
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	July 2015
Required Evidence of Completion:	Letter to the relevant authority

Auditor's Comments

Satisfactory

Action Point 6 - Case records for kinship carers

The regulations 2009 require local authorities to establish and maintain case records for kinship carers. This should include the information obtained for the purpose of assessment and the written agreement between the council and carer on care roles and responsibilities.

Separate file records have only recently been established for carer assessments. Older assessments of current carers have been filed within the child's file. This may not satisfy the formal requirements of the Regulation.

Management Action Plan

For older placements, files will be created

Importance:	Low
Responsible Officer:	L Richards, Service Manager
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	October 2015
Required Evidence of Completion:	Evidence of files for placements

Auditor's Comments

Satisfactory

Action Point 7 - Recording and analysing information on carers

The regulations require that before approving a carer councils should “obtain and record in writing”, and “taking account of that information”, consider specific details about the prospective “kinship carer and other members of the household and family”. Advice on interpretation is given in national guidance.

The assessment process currently applied by the Service omits the recording and consideration of several required items, i.e.: religious persuasion and commitment, racial origin and outcome of any previous application as a kinship carer. But in none of the cases examined by audit did these omissions have adverse impact.

In addition, assessments carried out by the Service in earlier years lack supporting evidence for further aspects of suitability. Specifically, the Regulations require councils to consider the prospective carer’s “leisure activities and interests”; this is useful when assessing the carer’s physical fitness and ability to provide a suitable and stimulating environment for a child. Audit review found this information absent from two of the six cases in the sample. Regulations also require, “References from third parties as to the character of the prospective foster or kinship carer and their suitability”. Such references were absent from three of the six files examined.

Management Action Plan

The current assessment form will be reviewed for completeness and the issues raised will be considered in the updated Looked After Children review in Action Point 2.

Importance:	Low
Responsible Officer:	L Richards, Service Manager
Lead Service:	Education and Children’s Services
Date for Completion (Month / Year):	July 2015
Required Evidence of Completion:	Updated assessment form

Auditor’s Comments

Satisfactory

Action Point 8 - Kinship Carer Agreements

The Service had identified that the Kinship Carer Agreement was in need of review. A review of the draft found it broadly satisfies the Regulations and in some areas goes beyond the minimum specified – e.g., in requiring carers to undertake disclosure checks and medical checks every 3 years. But on some issues the draft's compliance with Regulations is not clear, for example with regard to the undertaking of formal kinship carer reviews.

Management Action Plan

The Kinship Carer Agreement is being revised to ensure that it satisfied all aspects of the Regulations. Once this has been completed, the revised Kinship Carer Agreement will be issued to all approved kinship carers.

Importance:	Medium
Responsible Officer:	L Richards, Service Manager
Lead Service:	Education and Children's Services
Date for Completion (Month / Year):	September 2015
Required Evidence of Completion:	Issued Kinship Carer agreement

Auditor's Comments

Satisfactory