

Briefing Note

Audit Committee

Part 1

Date: 28 January 2021

Item No: 9

Subject **Second Consecutive Unsatisfactory Audit Opinion – Special Guardianship Orders (SGO) / Kinship Payments 2019/20 – Audit Committee Call In**

Purpose To inform the Members of the Council's Audit Committee of:

- i) The action taken by management in the Service Area to date and progress against the agreed action plan in respect of the Unsatisfactory audit opinion for *Special Guardianship Orders (SGO) / Kinship Payments*.

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On behalf of Sally Jenkins Head of Service-Children and Families

Ward General

Summary

Date of Final Report: 24/03/20
Opinion: Unsatisfactory

Date of Follow Up: Scheduled for Qtr 4 2020/21 (subject to any impact from Covid-19)

The original audit in May 2018 advised that links would be made with finance to ensure that the SGO payment system is robust. However, I started in post in January 2019 and undertook a restructure of this aspect of children's services and this caused some delays.

The Family and Friends Team was established in early 2019; however, recruitment of staff to posts was an ongoing process into the summer of 2019. The first batch of financial assessments transferred to Family and Friends in September 2019. The transfer to the team was a gradual process due to the high numbers of assessments to transfer and the need to link to several different social work teams to enable cases to be transferred. There are currently 193 financial assessments within the Family and Friends Team.

In addition, some cases which needed financial assessments were also open to social workers in other teams because of additional care and support needs. To transfer a case to a new social worker is more time consuming than a financial only case transfer as files needed auditing, social workers to agree transition points and meetings with families. This is a necessary delay to ensure that the family

continues to receive the correct level of support. However, this did mean that some of the financial assessment were not within the team in September 2019. There were also some issues with recruiting staff to the Family and Friends Team who could casehold; this is now resolved. By the end of October 2019 most cases had transferred.

Initial assessments were re audited but due to the small number of assessment completed by Family and Friends, due to minimal referrals from the childcare teams, the process could not be audited and therefore change could not be evidenced.

Financial assessments are reviewed once a year as a minimum and more frequently if the LA is notified of change by the SGO carer. Consequently, assessments prior to October 2020 may not have been undertaken within the Family and Friends Team as they would only need reviewing after 12 months. This meant that in September 2019 the Family and Friends Team could not evidence a change in systems as they had not undertaken a year of financial reviews. All cases that have been held by Family and Friend for 12 months would be reviewed in the new system.

Covid has had an impact as the SWA's have not been able to visit families to undertake the assessment and so alternatives such as video calls and using technology have been used to undertake the assessments. The assessments have still been undertaken.

SPECIAL GUARDIANSHIP ORDERS (SGO) / KINSHIP PAYMENTS – EXTRACT FROM ACTION PLAN

Ahead of the follow-up review it was management's intention that from September 2019, the Friends and Family Team would be responsible for all SGO financial assessments, as well as the management and review of on-going payments. This co-ordination did not happen as intended. Due to the lack of system information and availability of records, Internal Audit were unable to verify that the previously identified issues had been successfully addressed. The previous issues were as follows:

| Ref. | Weakness & Risk | Agreed Management Action | By When | Current Status |
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SPECIAL GUARDIANSHIP ORDERS (SGO) / KINSHIP PAYMENTS – EXTRACT FROM ACTION PLAN

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|------|--|--|----------------|--|
| 1.05 | <p>There was a lack of central coordination of the SGO financial assessment process as roles and responsibilities were not clearly defined.</p> <p><i>Inaccurate payments are made to special guardians as financial assessments are not undertaken consistently and correctly and allowances are not paid and monitored effectively by Social Services teams.</i></p> | <p>It is acknowledged that there is currently a lack of co-ordination and oversight of the SGO financial assessment activity. We will seek to identify a suitable officer to undertake this co-ordinating role. It may be necessary to look outside of C&YPS, to an officer with a more finance focused background, to fulfil this role. This will be considered as part of a wider review to determine the most appropriate officers to undertake the SGO financial assessments (see 2.07).</p> | September 2018 | <p><i>I, Joanne Llewellyn, now have oversight of the SGO budget. I hope the above information indicates that there are now clear roles and responsibilities for the financial process as all cases are within the Family and Friends Team. All new SGO cases transfer straight to the Family and Friends Team and so there should be no future issues with financial assessments. There may be some cases whereby the child requires support from the Disabled Children’s Team (DCT) and therefore joint working between Family and Friends and DCT will be required; although the financial aspects are undertaken by the Family and Friends Team.</i></p> <p><i>The SWA’s in Family and Friends have allocated assessments to undertake and are supervised by a senior practitioner in the team who has oversight of their work.</i></p> |

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| 1.06 | <p>The declaration on the financial assessment form did not include the requirement to verify and share the data provided and that action could be taken in the event of providing false information.</p> <p><i>Non-compliance with the Data Protection Act. The Authority may be unable to take any further action when false information has been provided.</i></p> | <p>The declaration on the financial assessment form will be revised to include this information. This will be in consultation with the Information Management team ready for implementation of GDPR in May 2018.</p> | April 2018 | Declaration has been included. |
| 1.07 | <p>Evidence that information about the SGO process was issued to all relevant parties was not always available.</p> <p><i>Parents and special guardians may enter into an SGO without being fully aware of all stages of the process.</i></p> | <p>The SGO leaflet will be reviewed and, if required, revised and a copy will be issued to all parents and prospective special guardians at the time the Connected Persons Report is compiled.</p> | April 2018 | <p>Carers are sent letters and these are now saved upon the S drive and wccis. Policies are available and conversations are underway with comms team regarding website information being available. Updated leaflets with information regarding different types of care have been signed off by CSMT on 27.10.2020. These can then be given to all potential carers once Comms have completed the graphics. These are available to use without graphics.</p> |

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| 2.09 | <p>The evidence sighted to confirm the details recorded on the financial assessment form was not copied or noted and no further verification of the information was conducted.</p> <p><i>Incorrect or false information may be recorded on the form resulting in incorrect payments being made or payments being made when they are not due.</i></p> | <p>The financial assessment form will be revised to note the evidence sighted for all relevant income and allowable expenditure. The income and expenditure declared will then be verified to bank statements.</p> | April 2018 | <p>This detail is now kept on the s drive and wccis – although covid has impaired the ability to manage this as well as previously as some carers are not computer literate to send these in- this causes complications. However, once visits return to previous levels this will be in place for all cases.</p> |
| 2.10 | <p>The financial assessment forms were not always signed and dated by the special guardians.</p> <p><i>The information included is not reviewed by the applicant, which could lead to errors and omissions not being identified and incorrect payments being made. The applicant has not read and understood their obligations and it may be more difficult to take recovery action should a future overpayment arise as a result.</i></p> | <p>A reminder will be issued to all staff to ensure the special guardians physically sign the financial assessment form and the signed copy to be retained on ESCR.</p> | Immediate | <p>As this is now managed by the F&F Team and by designated officers; this is now taking place. Copies are retained on file.</p> |

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| 2.11 | <p>Independent checks of financial assessment calculations were not accurately completed prior to payment being made.</p> <p><i>Without an independent and accurate check on the financial assessment calculation spreadsheet any potential errors will not be identified and corrected prior to the payment being made.</i></p> | <p>Independent checks will now be conducted on all financial assessment calculations including those completed by the Quality Assurance team.</p> <p>Refresher training will be provided by the Consultant Social Worker in conjunction with Social Services Accountancy.</p> | <p>April 2018</p> <p>June 2018</p> | <p>The SWA's within F&F will check each others work and also link with the finance officer to ensure that checks are taking place.</p> |
| 2.12 | <p>DSS1-2 forms were not always signed and dated by the authorising officer.</p> <p><i>Unauthorised payments may be made.</i></p> | <p>Staff will be reminded to ensure the DSS1-2 forms are properly authorised prior to the payment being processed on the Swift system and the signed copy retained on ESCR.</p> | <p>Immediate</p> | <p>This is now in place and documents saved to WCCIS.</p> |
| 2.13 | <p>Annual re-assessments were not aligned to the 1st April each year to reflect changes to state benefits and allowances.</p> <p><i>Incorrect amounts may be paid until the re-assessment is calculated due to the uprating of state benefits and the Annex A rates not being accounted for from the correct effective date.</i></p> | <p>Annual re-assessments will now be conducted in the first quarter and the revised allowance will be backdated to the 1st April.</p> <p>Re-assessments will also be completed on the child's 5th and 16th birthdays and the revised allowance will be backdated to the effective date of change.</p> | <p>June 2018</p> | <p>All the financial cases are reviewed in April if an increase in annual SGO rates is applied. The individual cases are also reviewed annually, so each case is reviewed twice a year, unless their annual review date also falls in April. Carers are advised in the change of payments in line with any changes to fostering allowances and these changes are made. Carers are advised to inform the LA of an changes that impact on their payments and agree to pay back any over payments.</p> |

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| 2.14 | <p>Not all the required information relating to the financial assessments was scanned or saved in ESCR.</p> <p><i>There is no evidence to support the allowance calculated and that the payment has been authorised, potentially leading to incorrect payments being made.</i></p> | <p>Staff will be reminded to ensure all documents relating to the financial assessments are scanned into ESCR.</p> | <p>Immediate</p> | <p>ECSR is no longer used. Documents are saved onto the S drive and WCCIS.</p> |
| 3.08 | <p>Follow up letters were not issued to special guardians of SGO children who were more than 16 years of age and, when applicable, evidence that the child will remain in education was not available.</p> <p><i>SGO payments may continue to be made when they are not due and the resulting overpayments may not be repaid.</i></p> | <p>Staff will be reminded to follow up the initial phone call with a letter asking the special guardian to confirm whether or not the SGO child will remain in education post 16 and, if they are, to provide evidence.</p> | <p>Immediate</p> | <p>Follow up letters for age 16 are sent.</p> |