

Report

Governance & Audit Committee

Part 1

Date: 27th July 2023

Subject **Unsound Audit Opinion – Safeguarding of Children’s Money – Governance & Audit Committee Call In**

Purpose For Members of the Council’s Governance & Audit Committee to:

- i) Consider the explanations and assurances provided by the Strategic Director and the Head of Service responsible for Safeguarding of Children’s Money that improvements will be made in service provision following an Unsound audit opinion.

Author Acting Chief Internal Auditor

Ward General

Summary Following an **Unsound Internal Audit opinion**, the Strategic Director and the Head of Service responsible for Safeguarding of Children’s Money have been invited into Governance & Audit Committee to provide assurances that appropriate improvements within service provisions and the control environment will be made.

Proposal That Members of the Governance and Audit Committee:

- i) accept the explanations and assurances of the Strategic Director and the Head of Service, which will be confirmed via a follow up internal audit during 2023/24

or

- ii) don’t accept the explanations and assurances provided and escalate concerns to the Chief Executive and Executive Board.

Action by Governance & Audit Committee

Timetable Immediate

This report was prepared after consultation with:

- Chief Financial Officer
- Monitoring Officer
- Head of People, Policy & Transformation

Signed

Background

Original Audit 2022/23	1 st Follow up Audit Due
Unsound	2023/24
Final (March 2023)	

1. The Public Sector Internal Audit Standards requires the Chief Internal Auditor to present a formal annual report to the Governance & Audit Committee which includes audit opinions issued and to disclose any qualifications to the overall opinion.
2. The Strategic Director and the Head of Service responsible for Safeguarding of Children's Money have been invited into Governance & Audit Committee to:
 - a) Explain why there were weaknesses in control
 - b) Provide assurances on the progress of the implementation of the agreed management actions taken to demonstrate improvement in the control environment
 - c) Include a timeline as appropriate
3. The audit review on Safeguarding of Children's Money was undertaken during 2022/23 and an **unsound** audit opinion was given. This was reported into Governance & Audit Committee as part of the Annual Internal Audit Report 2022/23 in May 2023. The audit report was finalised and an action plan was agreed by management in March 2023.
4. The first follow up audit is planned for 2023/24. The results of which will be reported back in to Governance & Audit Committee during the year.
5. The Safeguarding of Children's Money audit review was specifically requested by the Strategic Director (Social Services), the Head of Children Services and the Head of Corporate Safeguarding due to the concerns they each had within this area. The objective of the audit was to review and evaluate the financial and administrative controls in place regarding monies held and administered by Newport City Council on behalf of Children Looked After and Young People.
6. The following areas were examined as part of the audit of Safeguarding of Children's Money:
 1. *The Council has appropriate financial policies and procedures in place with regards to all monies held on the behalf of Children Looked After and Young People. Policies are in line with statutory guidance, reviewed annually, easily accessible and have been approved by the relevant Cabinet Member.*
 2. *Monies held on behalf of Children Looked After and Young People in relation to Criminal Injuries Compensation Authority (CICA) Payments are held securely and managed inline with the Social Services and Well-being (Wales) Act 2014 - Part 6 Code of Practice (Looked After and Accommodated Children).*
 3. *Monies administered on behalf of Children Looked After and Young People in relation to Junior Individual Savings Accounts (ISA's) and Child Trust Funds is managed in-line with the Social Services and Well-being (Wales) Act 2014 - Part 6 Code of Practice (Looked After and Accommodated Children).*

During the audit review, a request was made by the Strategic Director for Social Services via the Head of Children Services to expand the scope of the audit to include:

4. *Monies administered on behalf of Children Looked After and Young People in relation to Duty of Care Settlements are managed in-line with the Social Services and Well-being (Wales) Act 2014 - Part 6 Code of Practice (Looked After and Accommodated Children).*
7. The Summary of Weaknesses (Critical and Significant) identified from the audit can be seen in **Appendix 1**.
8. The Action Plan showing agreed management comments and actions to address the critical and significant weaknesses identified can be seen in **Appendix 2**. An update on current progress / status, along with timescales for implementation have also been provided by the Service Manager - Operations which can be seen in the end columns of Appendix 2.
9. An explanation of the terms used in the Safeguarding of Children's Money audit can be found within **Appendix 3** – Glossary of Terms.

Financial Summary (Capital and Revenue)

10. There are no material financial issues related to this report, although improvements in controls in respect of the administration of Safeguarding of Children's Money should result in more efficient and effective processes.

Risks

11. If management action is not taken to improve the control environment and increase service delivery resilience, service users may not receive an efficient and effective service, the number of complaints may increase and could lead to reputational damage.

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Poor internal controls could impact on effective and efficient service delivery, increase in complaints from service users and negative impact on reputation.	M	M	The Strategic Director (Social Services) has agreed a way forward to support service delivery. Internal Audit will undertake a follow up audit to verify that agreed action has been taken to improve service delivery.	Strategic Director – Social Services

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

12. Giving Management assurance on the systems in operation gives them confidence that there is sound financial management in place, that more effective services can be provided and the risk of theft, fraud and corruption is minimised. Better service provision and looking after the public pound makes our City a better place to live for all our citizens, hence delivering an ambitious, fairer, greener Newport for everyone. (Corporate Plan 2022-2027).

Options Available and Considered

13. This is a factual progress report and therefore there are no specific options to be considered; there are no decisions to be made further to the proposals noted above.
14. Members of the Governance & Audit Committee are asked to either accept the assurances from the Strategic Director – Social Services and Head of Children Services or refer their concerns onto the Chief Executive and Executive Board.

Preferred Option and Why

15. Members of the Governance & Audit Committee to decide.

Comments of Chief Financial Officer

16. This report is the result of an audit in the 2022/23 audit plan. It has been called in because of the very significant issues and weaknesses found in this area. The issuing of 'unsound' audit opinions are very rare and the list of findings in Appendix 1 confirms the severity of the issues around Children's monies which has led to this overall opinion.

This is one of the core aspects of the function of Children's Services and which involves the safeguarding of children monies under their care and is therefore a sensitive/key function. Robust implementation of the action plan is therefore a key requirement in going forward and which the Committee needs to assure itself will be achieved.

A key priority must be to check all affected Children's position as to their eligibility and amounts of monies which are being held by the Council on their behalf and to ensure that the service has an up to date and correct record of amounts being held on behalf of Children. From there, there needs to be a process where the Social Care records of monies being held on WCCIS on behalf of Children in their care are agreed/reconciled to the summary record of this held on the Council's financial system on a regular basis and this is also a necessary priority.

Comments of Monitoring Officer

17. There are no specific legal issues arising from the report. As part of its role in monitoring the effectiveness of the Council's systems of internal control and financial management, Governance & Audit Committee oversee the implementation and outcomes of the internal audit programme and, where necessary, can review and make recommendations regarding unsatisfactory and unsound audit reports. The Committee can seek assurances on the adequacy of responses to internal audit advice, findings and recommendations and will

monitor implementation and compliance with agreed action plans. In this case, there has been an unsound audit in relation to the Safeguarding of Children's Money and the relevant Head of Service and Strategic Director have been invited to attend the meeting to explain the situation and outline the management action that will be taken to address the issues concerned. If the Governance & Audit Committee are not satisfied with the management responses and there are considered to be residual risks in terms of the Safeguarding of Children's Money processes, then the Committee can escalate those concerns through the Chief executive and the Executive Board. As this unsound audit report relates to operational management issues, then it is not considered appropriate for any concerns to be escalated through the Cabinet or Cabinet Member as they do not involve strategic policy issues.

Comments of Head of People, Policy and Transformation

18. As part of the Well-being of Future Generations Act (2015) and its corporate governance arrangement it is necessary to ensure that the Council's functions are operating effectively and efficiently to manage its governance, internal control and risk management arrangements in the delivery of the Corporate Plan and its statutory duties.

This report presents a review of the Internal Audit activity during the period concerned and the outcome of a completed audit review. There are no direct human resources impact from this report.

Scrutiny Committees

19. N/A

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

20. For this report, a full Fairness and Equality Impact Assessment is not required. This is because this report is not seeking any strategic decisions or policy changes. This is a call in report relating to an audit opinion which is an internal assessment and does not require the public to be consulted on it.

21. The role of Internal Audit supports the Council in complying with the principles of the Wellbeing Act and providing assurance on the activities undertaken across the Council. In compiling this report the principles of this Act have been considered:

Long term - The Internal Audit workload is based on an annual operational plan supported by a 5 year strategic plan that is aligned to the Council's Corporate Plan.

Prevention - Internal Audit identify strengths and weaknesses within the control environment of Newport City Council; addressing the weaknesses gives management the opportunity of preventing gaps in service provision getting worse. This should also minimise the potential for fraud, theft, loss or error.

Integration - Internal Audit opinions provide an objective opinion on the adequacy of the Council's corporate governance, internal control and risk management environment in operation and support sound stewardship of public money.

Collaboration - Internal Audit work in collaboration with operational managers to develop an appropriate action plan in order to address identified concerns.

Involvement - Heads of Service and Senior Managers are invited to contribute to the audit planning process each year in order to prioritise audit resources. The involvement of the Governance & Audit Committee provides assurance and oversight of an effective internal audit provision to carry out its duties.

Consultation

22. N/A

Background Papers

23. 2022/23 Approved Internal Audit Plan. 2022/23 Internal Audit Annual Report.

Safeguarding of Children's Money Audit 2022/23

SUMMARY OF WEAKNESSES (March 2023)

The tables below summarise the individual weaknesses identified during the review.

Ref.	CRITICAL
2.02	The record keeping for Young People with a Criminal Injuries Compensation Authority (CICA) payment was poor. There was no central coordination or record available and the only record available from Finance was not complete. The record did not allow for the Young Person to be easily identified, the amount of the original award, when they were due to receive payment or if payment had already been made.
2.03	There was no evidence available to confirm that an interim Criminal Injury Compensation Authority award (£110k) due to a Young Person had been received.
3.01	The Council was still administering 203 Junior ISA's totalling £80,270 for Young People who were no longer under local authority care or had turned 18 years of age. Young People had not been paid money they were entitled to.
4.01	Records suggest that Young People who were older than 18 years of age had outstanding financial Duty of Care Settlements due to them where an employee of Newport City Council was the Litigation Friend. We could not confirm that Young People had been paid money they were entitled to.

Ref.	SIGNIFICANT
1.01	<p>Whilst a draft 'Policy for savings for Children Looked After' was provided (dated April 2021), the Council did not have a sufficient financial policy which:</p> <ul style="list-style-type: none"> • Set out what entitlements Young People have including details about a leaving care maintenance allowance. • Is clear about the treatment of Young People's own funds, whether these come from employment, inheritance, Criminal Injuries Compensation Authority awards, or other sources. • Was not formally reviewed on an annual basis. • Was not in a form easily understood by Young People who were involved in developing a 'user friendly version'. • Was not available on the Council's website or provided to all Children Looked After and care leavers. • Sets out clear priorities to support Young People to achieve their wellbeing outcomes.
2.04	Supporting source documentation was not available for those Young People with a Criminal Injuries Compensation Authority (CICA) award confirming the original amounts allocated were correct.
3.02	The record keeping for Young People who had a Junior ISA managed by the Council was poor. There was no complete list of names, reference numbers and dates of birth of those Young People available. Significant discrepancies were identified between Council records and those of the Share Foundation.
3.03	There was no documentation available to confirm that Young People (or the Pathway Team) were being made aware of the existence of a Junior ISA or other forms of

Ref.	SIGNIFICANT
	compensation they were awarded / entitled to. There was no evidence to support that assistance had been provided to allow the Young Person to seek independent financial advice prior to their 18 th birthday.
4.02	Children's Services did not hold any central records of Young People who had received Duty of Care Settlements where Newport City Council was acting as the Litigation Friend. There were no detailed file notes added to the Young Person's WCCIS record to confirm a settlement / outstanding settlement along with details of the award.

APPENDIX 2

Safeguarding of Children's Money Audit 2022/23 - Agreed Action Plan

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
1.01	<p>Whilst a draft 'Policy for savings for Children Looked After' was provided (dated April 2021), the Council did not have a sufficient financial policy which;</p> <ul style="list-style-type: none"> • Set out what entitlements Young People have including details about a leaving care maintenance allowance. • Is clear about the treatment of Young People's own funds, whether these come from employment, inheritance, Criminal Injuries Compensation Authority awards, or other sources. • Was not formally reviewed on an annual basis. • Was in a form easily understood by Young People who were involved in developing 	<p>We now have a draft CLA policy in place which includes a section on finances / savings. We will ensure that this covers all elements of the Social Services and Well-being (Wales) Act 2014. The draft policy is currently under review prior to being formally approved.</p> <p>Once the new policy has been agreed, we will develop a young person friendly version which will be provided to all Children Looked After and care leavers with copies available on the NCC website.</p>	Service Manager – Operations (JM)	<p>Final draft policy in place, sign off in CMT in August 2023 and shared with all the children and young people services staff who may require use of the policy going forward.</p> <p>Next steps: To develop young person's format.</p>	<p>Partially completed.</p> <p>Completion and implementation by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
	<p>a 'user friendly version'.</p> <ul style="list-style-type: none"> Was not available on the Council's website or provided to all Children Looked After and care leavers. Sets out clear priorities to support Young People to achieve their wellbeing outcomes. 				
2.02	<p>The record keeping for Young People with a Criminal Injuries Compensation Authority (CICA) payment was poor. There was no central coordination or record available and the only record available from Finance was not complete. The record did not allow for the Young Person to be easily identified, the amount of the original award, when they were due to receive payment or if payment had already been made.</p>	<p>Clarification over roles and responsibilities will be sought with a meeting held between Children Services, Finance, Legal and Insurances,</p> <p>Following this meeting, a process and procedure will be developed which will include a central recording spreadsheet (containing all required details) and records will be uploaded to the young person's account on the WCCIS system.</p> <p>Attempts will be made to identify the young people listed and we will ensure that money is paid when due and appropriately recorded.</p> <p>Discussions will be held with both the Pathway and Independent Reviewing Officers team to ensure</p>	Service Manager – Operations (JM)	<p>Draft process flow chart is now ready and has been shared with all the relevant departments for feedback and comments. Once revisions are made, final version will be included in the CLA financial policy.</p> <p>Business support team leader is meeting with business support officer on 10.07.2023 to agree business support process around this area.</p> <p>Spreadsheet to be created this month to account for all CLA who may have been previously entitled to CICA and undertake audit with Legal, finance and insurances.</p> <p>To ensure we have record of children's monies (from any/all sources).</p>	<p>Partially completed.</p> <p>Completion and implementation date by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
		<p>the young person's finances (savings, CICA awards, Duty of Care settlements, Junior ISA's etc) are being fully discussed during 16+ CLA and Pathway reviews.</p> <p>We will extend the use of the Welfare Rights service so young people can obtain independent financial advice.</p> <p>At a service area meeting we will highlight the issues raised by the audit review and reiterate to Social Workers / Social Work Assistants their responsibilities with regards to young person's finances and the recording of information on WCCIS.</p> <p>New flow chart developed which is included in the CLA financial policy to assist everyone to follow the correct process going forward.</p>		<p>These records are agreed periodically (twice per annum) to those who hold the funds.</p> <p>Meeting arranged with team managers and IRO manager to ensure everyone is aware and in agreement with the new processes. Provisional date set for August 2023.</p> <p>Team Manager for Pathway to independence has liaised with welfare rights to update them on our new process and confirm they are in agreement to be involved as we move forward.</p> <p>Undertaken at the last service meeting on the 05/07/2023.</p> <p>As above.</p>	
2.03	<p>There was no evidence available to confirm that an interim Criminal Injury Compensation Authority award (£110k) due to a Young Person had been received.</p>	<p>We will clarify the current position with the legal and insurances teams and chase up the court fund office regarding obtaining the interim payment.</p> <p>Once payment has been received, interest will be added to the amount annually by the</p>	<p>Service Manager – Operations (JM)</p>	<p>As above Draft process flow chart is now ready and has been shared with all the relevant departments for feedback and comments. Once revisions are made, final version will be included on the CLA financial policy.</p>	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
		<p>Accountancy team as part of the new process detailed in 2.02.</p> <p>Records held will be added to the WCCIS system confirming the award and that it has been received.</p> <p>A wider discussion will be held with social work teams regarding the recording of finance information on the WCCIS system.</p>		<p>Raise at next CMT on 18th July 2023.</p>	
2.04	<p>Supporting source documentation was not available for those Young People with a Criminal Injuries Compensation Authority (CICA) award confirming the original amounts allocated were correct.</p>	<p>As detailed in 2.02 a process and procedure will be developed for CICA awards and the required recording of information. This will include both the uploading of financial records / letters and detailed case notes.</p> <p>We will attempt to locate the documentation in relation to existing cases where this may be missing and upload / record as necessary.</p>	<p>Service Manager – Operations (JM)</p>	<p>As part of new process flow chart, all relevant documentation will be stored on WCCIS and in a separate folder inter CICA payments for each child and will be included in a master spreadsheet.</p> <p>Spreadsheet to be created this month to account for all CLA who may have been previously entitled to CICA and undertake audit with Legal, finance and insurances.</p> <p>Ensure we have a record of children's monies (from any/all sources).</p> <p>These records are agreed periodically (twice per annum) to those who hold the funds.</p>	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
3.01	<p>The Council was still administering 203 Junior ISA's totalling £80,270 for Young People who were no longer under local authority care or had turned 18 years of age. Young People had not been paid money they were entitled to.</p>	<p>Since initial feedback was provided from Internal Audit, an agency resource has been made available for the past 6 months to release an officer to complete work in this area matching up records and writing to families.</p> <p>We have worked with SEWAS to send letters to all young people who have been adopted or have an SGO in place. Approximately half have responded to date enabling business support to send the Share Foundation guidance to the individuals detailing to how to assume responsibility for the Junior ISA account(s).</p> <p>Considerable work has also been completed on those who were older than 18 and business support to send the Share Foundation guidance to the individuals detailing to how to assume responsibility for the Junior ISA account(s).</p> <p>A process and procedure will be developed which will include a central recording spreadsheet (containing all required details) and records will be uploaded to the young person's account on the WCCIS system.</p>	<p>Service Manager – Operations (JM)</p> <p>Business Support Team Leader (CR)</p>	<p>Resource is in place and this work is being undertaken.</p> <p>All young people who are contactable have been contacted. For eligible young people, they and their extended families have been contacted.</p> <p>Share Foundation release valuation reports (6-12 monthly) this will enable the department to see progress but creates time delays. However, this is an ongoing action due to Share Foundation process.</p> <p>Comms to be sent out via our media team regarding ISA eligibility and its criteria to make public aware and facilitate opportunity for young people previously known to Childrens who would be eligible and not claimed. The link to claim the funds will also be provided.</p> <p>Spreadsheet is in place and continuing to be used.</p> <p>Ensure we have a record of children's monies (from any/all sources).</p> <p>These records are agreed periodically (twice per annum) to those who hold the funds.</p>	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
		<p>Discussions will be held with both the Pathway and Independent Reviewing Officers team to ensure persons finances (savings, CICA awards, Duty of Care settlements, Junior ISA's etc) are being fully discussed during 16+ CLA and Pathway reviews.</p> <p>We will extend the use of the Welfare Rights service so young people can obtain independent financial advice.</p> <p>New flow chart developed which is included in the CLA financial policy to assist everyone to follow the correct process going forward.</p> <p>Extra resource is being given to Business Support to support the extra work around Childrens Savings.</p>		<p>Meeting arranged with team managers and IRO manager to ensure everyone is aware and in agreement with the new processes. Provisional date set for August 2023.</p> <p>Pathway to Independence has already linked in with Welfare rights service and they have agreed to be involved in assisting with the new process.</p> <p>Draft process flow chart is now ready and has been shared with all the relevant departments for feedback and comments. Once revisions are made, final version will be included on the CLA financial policy.</p> <p>Business support team leader is meeting with business support officer on the 10.07.2023 to agree business support process around this area.</p> <p>Spreadsheet to be created this month to account for all CLA who may have been previously entitled to CICA and undertake audit with Legal, finance and insurances.</p> <p>Ensure we have a record of children's monies (from any/all sources).</p> <p>These records are agreed periodically (twice per annum) to those who hold the funds.</p>	

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
				Currently in the process of recruitment and going out to advert, job role hasn't yet been appointed. This role will be responsible for leading on the recording and data capture for the master spreadsheet.	
3.02	The record keeping for Young People who had a Junior ISA managed by the Council was poor. There was no complete list of names, reference numbers and dates of birth of those Young People available. Significant discrepancies were identified between Council records and those of the Share Foundation.	<p>A process and procedure will be developed which will include a central recording spreadsheet (containing all required details) and records will be uploaded to the young person's account on the WCCIS system.</p> <p>New flow chart developed which is included in the CLA financial policy to assist everyone to follow the correct process going forward.</p> <p>Extra resource is being given to Business Support to support the extra work around Childrens Savings.</p>	<p>Service Manager – Operations (JM)</p> <p>Business Support Team Leader (CR)</p>	Please refer to the above.	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>
3.03	There was no documentation available to confirm that Young People (or the Pathway Team) were being made aware of the existence of a Junior ISA or other forms of compensation they were awarded / entitled to. There	Discussions will be held with both the Pathway and Independent Reviewing Officers team to ensure persons finances (savings, CICA awards, Duty of Care settlements, Junior ISA's etc) are being fully discussed during 16+ CLA and Pathway reviews.	Service Manager – Operations (JM)	<p>Service meeting has taken place 05.07.2023 to discuss with the service around these new processes and practice.</p> <p>Meeting arranged with team managers and IRO manager to ensure everyone is</p>	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
	<p>was no evidence to support that assistance had been provided to allow the Young Person to seek independent financial advice prior to their 18th birthday.</p>	<p>Records will be held on WCCIS of all Junior ISA's or other forms of compensation such as Criminal Injury Compensation Authority awards or Duty of Care Settlement Awards. The Pathway team will need to ensure that officers review the system to identify any entitlement.</p> <p>We will extend the use of the Welfare Rights service so young people can obtain independent financial advice.</p> <p>At a service area meeting we will highlight the issues raised by the audit review and reiterate to Social Workers / Social Work Assistants their responsibilities with regards to young person's finances and the recording of information on WCCIS.</p> <p>New flow chart developed which is included in the CLA financial policy to assist everyone to follow the correct process going forward.</p> <p>Extra resource is being given to Business Support to support the extra work around Childrens Savings.</p>		<p>aware and in agreement with the new processes. Provisional date set for August 2023.</p> <p>New process flow chart developed, and master spreadsheet is currently being developed to ensure all CYP are accounted for.</p> <p>Staff have now been made aware that all ISA/CICA and Duty of care payments must be recorded on the WCCIS.</p> <p>Ensure we have record of children's monies (from any/all sources).</p> <p>These records are agreed periodically (twice per annum) to those who hold the funds.</p> <p>Service meeting took place on the 05.07.2023.</p> <p>Already discussed throughout this report.</p> <p>Currently in the process of recruitment and going out to advert, job role hasn't yet been appointed. This role will be responsible for leading on the recording and data capture for the master spreadsheet.</p>	

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
4.01	<p>Records suggest that Young People who were older than 18 years of age had outstanding financial Duty of Care Settlements due to them where an employee of Newport City Council was the Litigation Friend. We could not confirm that Young People had been paid money they were entitled to.</p>	<p>Clarification over roles and responsibilities will be sought with a meeting held between Childrens Services, Finance, Legal and Insurances.</p> <p>Following this meeting, a process and procedure will be developed which will include a central recording spreadsheet (containing all required details) and records will be uploaded to the young person's account on the WCCIS system.</p> <p>Discussions will be held with both the Pathway and Independent Reviewing Officers team to ensure persons finances (savings, CICA awards, Duty of Care settlements, Junior ISA's etc) are being fully discussed during 16+ CLA and Pathway reviews.</p> <p>We will extend the use of the Welfare Rights service so young people can obtain independent financial advice.</p> <p>We will review all the cases identified to ensure the young people have received the money they are entitled to and the Litigation Friends responsibilities have been completed.</p>	Service Manager – Operations (JM)	Please see the actions already identified earlier in the report which respond to the outcomes in this report.	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

IA Report Ref	Weakness	Agreed Management Action (March 2023)	By Who	Current Progress / Update provided by Service Manager - Operations (July 2023)	Timescales for Implementation
4.02	<p>Children's Services did not hold any central records of Young People who had received Duty of Care Settlements where Newport City Council was acting as the Litigation Friend. There were no detailed file notes added to the Young Person's WCCIS record to confirm a settlement / outstanding settlement along with details of the award.</p>	<p>Clarification over roles and responsibilities will be sought with a meeting held between Childrens Services, Finance, Legal and Insurances,</p> <p>Following this meeting, a process and procedure will be developed which will include a central recording spreadsheet (containing all required details) and records will be uploaded to the young person's account on the WCCIS system.</p> <p>At a service area meeting we will highlight the issues raised by the audit review and reiterate to Social Workers / Social Work Assistants their responsibilities with regards to young person's finances and the recording of information on WCCIS.</p> <p>New flow chart developed which is included in the CLA financial policy to assist everyone to follow the correct process going forward.</p>	Service Manager – Operations (JM)	New process flow chart developed, and master spreadsheet is currently being developed to ensure all CYP are accounted for.	<p>Partially completed.</p> <p>To be completed and implemented by December 2023.</p>

APPENDIX 3

GLOSSARY OF TERMS

Criminal Injuries Compensation Authority (CICA) Payments

The Scheme is government funded designed to compensate victims of violent crime in Great Britain. The Criminal Injuries Compensation Authority (CICA), administer the scheme and decide if applicants are eligible and assess the appropriate value of any award.

They recognise that no amount of compensation can ever make up for the harm and suffering caused to victims by violent crime. Injury awards are intended to be an acknowledgement of harm and an important gesture of public sympathy.

Claims can be considered for the following;

- mental or physical injury following a crime of violence
- sexual or physical abuse
- loss of earnings
- special expenses payments
- a fatality caused by a crime of violence

The CICA will consider making interim payments where they have decided that the individual is eligible for a payment but cannot make a final decision because, for example, they are waiting until the long term impact of the injury is understood.

Interim payments are made when it is established that the person will have a firm entitlement to compensation of a certain value and are likely to be lower than a final award. Any interim payment made will be deducted from a final award, when made. In the unlikely event that the interim award is higher than the final award, CICA may require repayment of this award or part of this award.

When received, money for CICA awards is held by Newport City Council on behalf of the young person.

Junior Individual Savings Accounts (Junior ISA's)

Children looked after for 12 months or more and not eligible for a Child Trust Fund (CTF) are entitled to a £200 payment from the government into a Junior Individual Savings Account (Junior ISA). The Junior ISA for Children Looked After scheme replaces the support previously provided through CTFs. The government will provide an initial £200 payment to open the accounts.

The Department for Education has contracted [The Share Foundation](#) to administer the Junior ISA scheme until 31 March 2023. The Share Foundation will open and manage Junior ISA accounts using independent selection advice while children remain looked after.

Unless there are exceptional reasons that justify a variation, local authorities must:

- on request from The Share Foundation, provide them with a named contact for dealing with all aspects of the Junior ISA scheme.
- respond to requests for information from The Share Foundation, to enable them to open the Junior ISAs and draw down the £200 payments.
- ensure that there are effective and proportionate security arrangements safeguarding the integrity and confidentiality of the data to be sent to and received from The Share Foundation, in full compliance with the Data Protection Act.

- once an account has been opened, ensure that, as an integral part of the care planning review and where it is appropriate to do so, the carer, parent and child are made aware of the account.
- once a child stops being looked after, notify The Share Foundation and provide the necessary information to the person with parental responsibility for the child (and the child if 16 or 17 years old) so that they may take over the management of the account.

In addition, independent reviewing officers should ensure local authorities carry out their duty as good corporate parents, so that children who are eligible for a Junior ISA receive funding and, where appropriate, they and their carers and parents receive suitable advice about their accounts, both while they are looked after and when they cease to be looked after.

Duty of Care Settlements

HM Courts & Tribunal Service can determine that Local Authorities have failed in their Duty of Care to Young People. This could be through negligence or by not acting in a timely manner to prevent the potential of further harm. Where this is the case, the LA can be required to make a compensation payment to the Young Person.

Money for Duty of Care Settlements is paid over by Newport City Council to the Court Funds Office. The Litigation Friend has the legal responsibility for this account until the young person turns 18. Annual statements are issued by the Court Funds Office detailing the money held.

Litigation Friend

A Litigation Friend has the legal responsibility to be responsible for the child's Court Funds Office account until they turn 18 and is required to;

- make decisions in the Young Person's best interests
- do everything they can to tell the Young Person what's happening in the case and find out their wishes and feelings
- keep contact details up to date
- apply for any payments on the child's behalf
- receive statements and tax records