

REPORT TO: Audit and Governance Committee

MEETING DATE: 12 June 2018

BY: Depute Chief Executive (Resources & People Services)

SUBJECT: Internal Audit Report – Throughcare and Aftercare

1 PURPOSE

- 1.1 To inform the Audit and Governance Committee of the recently issued audit report on Throughcare and Aftercare.

2 RECOMMENDATION

- 2.1 That the Audit and Governance Committee note the contents of the Executive Summary and Action Plan.

3 BACKGROUND

- 3.1 A review of the internal controls surrounding Throughcare and Aftercare was undertaken as part of the Audit Plan for 2017/18.
- 3.2 The main objective of the audit was to ensure that the internal controls in place were operating effectively.
- 3.3 The main findings from our audit work are outlined in the attached report.

4 POLICY IMPLICATIONS

- 4.1 None

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial - None

6.2 Personnel - None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 None

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DATE	4 June 2018

EAST LOTHIAN COUNCIL – INTERNAL AUDIT THROUGH-CARE AND AFTERCARE

1. EXECUTIVE SUMMARY

1.1 Introduction

As part of the Audit Plan for 2017/18, a review was undertaken of the arrangements in place for the provision of Throughcare and Aftercare. A summary of our main findings is outlined below.

1.2 Areas where Expected Controls were Met

- The Council has adequate arrangements in place for meeting its statutory obligations to provide support to young people, looked after by East Lothian Council, who are about to leave care or have recently left care.
- The financial support being provided to young people is in accordance with the definition of eligible needs contained in the Aftercare (Eligible Needs) (Scotland) Order 2015.
- Adequate arrangements are in place for ensuring that payment requests are properly authorised on the Mosaic system.
- Nominated key workers are in place for all young people leaving care.

1.3 Areas with Scope for Improvement

- There is a lack of procedures in place to provide operational guidance to staff with responsibility for Throughcare and Aftercare. *Risk – an inconsistent approach may be adopted.*
- In some cases, there was a lack of a clear audit trail to confirm that up to date support plans were in place. *Risk – information held may be out of date.*
- There was a lack of clear documentation to confirm the full package of financial support being provided to the young person. *Risk – failure to adopt a structured approach.*
- In some cases, cash payments were being made to the young person, although they held their own bank account. *Risk – lack of a clear audit trail.*
- The existing practices in place whereby staff members are making payments either to or on behalf of young people from their own personal bank account require review. *Risk – failure to follow appropriate processes.*
- In some cases, there was a lack of receipts to support the expenditure incurred on behalf of young people. *Risk – lack of a clear audit trail.*

1.4 Summary

Our review of Throughcare and Aftercare identified a number of areas with scope for improvement. Detailed findings and recommendations are contained in our main Audit Report.

Mala Garden
Internal Audit Manager

June 2018

**EAST LoTHIAN COUNCIL – INTERNAL AUDIT
THROUGHcARE AND AFTERcARE**

ACTION PLAN

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.2.1	Management should ensure that detailed procedures are in place to provide operational guidance to staff administering Throughcare and Aftercare.	Medium	Group Service Manager – Long Term Support Services	A financial policy is currently being drafted.		December 2018
3.3.1	<p>Management should ensure that financial assessments are carried out to establish the level of financial support the young person requires.</p> <p>Management should ensure that clear documentation is held to confirm the full package of financial support being provided to the young person.</p> <p>Management should ensure that all available funding sources are considered when preparing the young person’s financial package.</p>	Medium	Group Service Manager – Long Term Support Services	Currently developing a policy and procedure on Pathway Assessments, Reviews and Plans. Areas included – lifestyle, learning and work, and money. This will enable current assessments to be clearly documented and transparent, giving an overview of a young person’s financial situation and ELC’s role within that.		July 2018

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.4.1	<p>Management should ensure that all Section Payment forms are properly authorised.</p> <p>Management should ensure that appropriate documentation is held to confirm all payments made – a signed and dated receipt should be held on file to support the payment made.</p>	Medium	Group Service Manager – Long Term Support Services	Agreed		June 2018
3.5.1	<p>Management should review the existing practices in place whereby staff members are making payments either to or on behalf of young people from their own personal bank account – consideration should be given to alternative methods of making payments.</p> <p>Where a young person has a bank account, Management should seek to ensure that payments are made directly to the bank account.</p>	High	Group Service Manager – Long Term Support Services	Agreed, however it would be helpful to have a more responsive banking system. Pathway plans and case notes will detail any reasons for deviating from this.		June 2018
3.6.1	<p>Consideration should be given to setting up individual budgets to enable a more planned approach to be adopted in meeting the eligible needs of the young person being supported.</p>	Medium	Group Service Manager – Long Term Support Services	This will be considered as part of the financial policy.		December 2018

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.7.1	<p>Management should ensure that all young people are given assistance in opening and managing bank accounts.</p> <p>Management should ensure that young people sign the cash expenditure forms to acknowledge receipt of cash.</p> <p>Management should ensure that receipts are held for all expenditure incurred.</p>	Medium	Group Service Manager – Long Term Support Services	Agreed		June 2018
3.8.1	<p>Management should ensure that where young people are being placed in accommodation, which forms part of a Council contract, payments made are in accordance with the contracted rates.</p> <p>Management should ensure that rent payments are only made on behalf of a young person, where the young person is not eligible for universal services (e.g. Universal Credit).</p> <p>Management should ensure that full use is made of properties leased by the Council, prior to sourcing Bed & Breakfast accommodation.</p>	Medium	Group Service Manager – Long Term Support Services	<p>Agreed</p> <p>Reasons for rent payments will be clearly documented with their financial assessments.</p> <p>Framework issues need to be discussed and agreed with housing.</p>		July 2018

PARA REF	RECOMMENDATION	GRADE	RESPONSIBLE OFFICER	AGREED ACTION	RISK ACCEPTED/ MANAGED	AGREED DATE OF COMPLETION
3.8.1 (cont)	Management should review the current practice whereby payments are being made to Bed & Breakfast providers for vacant rooms, prior to the young person moving in.	Medium	Group Service Manager – Long Term Support Services	As above		

Grading of Recommendations

In order to assist Management in using our reports, we categorise our recommendations according to their level of priority as follows:

Level	Definition
High	Recommendations which are fundamental to the system and upon which Management should take immediate action.
Medium	Recommendations which will improve the efficiency and effectiveness of the existing controls.
Low	Recommendations concerning minor issues that are not critical, but which may prevent attainment of best practice and/or operational efficiency.