

Audit of Independent Placements: Financial Controls – Action Plan Monitoring (Appendix A)

Objective: To review the financial control arrangements in place regarding independent foster care, residential and educational placements. Where appropriate, recommendations for improvement and/or sharing of good practice were also made.

A total of thirteen priority 4 recommendations were made to address identified control weaknesses.

Ref no.	Audit Recommendation	Responsible Officer	Implementation date	Progress commentary
S001	1.1a - Ensure that placement procedures are fully documented and made available to all relevant staff. Procedures should cover all aspects of the placement process and should mandate clear time limits for placement actions to take place and financial thresholds for decision making.	Louise Palmer	July 2017	COMPLETE: Amended placement procedures fully documented in the form of flow charts and accompanying written guidance. Communication of new procedures to relevant staff complete and processes now 'live'. However, more work is needed to fully embed this change and this is being supported by monthly placement meetings where issues can be reported. Longer term work needed to boost capacity of the Placements Team to make all independent SEND placements.
S002	1.2a - Ensure that panel decision making documentation is updated to include placement review dates. Records should then be maintained to ensure that all required reviews take place in the required timeframes.	Panel Chairs	January 2017	COMPLETE: Review dates are recorded in panel minutes and forward plan maintained by business support. Work underway to allow automated report of placement review dates to be run from LCS.
S003	1.2b - Ensure that SEND panel decision making records include information on the type, start date, and cost of all new provision. Processes (see recommendation 1.1a) should include a requirement that panel decision	Sharon Longden	June 2017	COMPLETE: Passing of decisions to finance is included in the procedures documentation. Improved SEND panel process implemented; all costs agreed through panel and IPAs in place, linked to Education Health & Care Plans.

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	thresholds.			
S006	1.5a - Ensure that written procedures (see recommendation 1.1a) are established to ensure adequate control of non-core payments. These procedures should include the budget from which such payments are to be made.	Louise Palmer	July 2017 December 2017	ONGOING: Processes and procedures have been developed to specify which officers/panels can/cannot agree additional costs and how this should be done. These procedures were made live and available in July 2017 (see S001 above). Further work to be done by Finance and the Placements Team to monitor total costs going forward and track elements of placements spend from different budgets.
S007	1.6a - Ensure that procedures (see recommendation 1.1a) include a method for the placements team to be notified of any actual or imminent CSC placement end dates in order to enable notice periods to be enacted, all necessary actions to take place, and a new placement (where appropriate) to be sought.	Louise Palmer	July 2017	COMPLETE: Included in placement procedures documentation.
S008	1.7a - Ensure that procedures (see recommendation 1.1a) include requirements for IPAs to be in place when placements are initiated. Any changes to costs and requirements should also be captured in amended IPAs. This recommendation applies to all placement contracts but it is acknowledged that some content may vary	Louise Palmer	July 2017 November 2017	ONGOING: Requirements for an IPA to be completed are included in the placement procedure documentation which was rolled out in July 2017. However, we recognise we have a capacity issue within the Placements Team with regard to completing IPAs. That is being addressed in the form of additional business support to ensure these

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	between CSC and education placements.			are completed promptly going forward
S009	<p>1.8a - Establish clear reporting and performance measures relating to placements. This should include, but is not restricted to the following:</p> <ul style="list-style-type: none"> • Placements outside of indicative cost parameters (see recommendation 3.1a) • Completion of placement reviews stipulated by approving panels (see recommendation 1.2a) • Realisation of potential placement discounts available (see recommendation 3.2b) <p>Exception reporting should then be used to highlight areas where stated timeframes and financial thresholds are exceeded so that corrective action may take place.</p>	Louise Palmer	December 2017	ONGOING: A data dashboard of KPIs has been developed by the Commissioning Team for reporting the activity and performance of the Placements Team. This dashboard is under further development and a future iteration will include finance information (including indicative vs. actual cost).
S010	<p>1.8b - Instigate a review of information requirements. This should identify requirements for Social care, Education, panels, Placements Team, Commercial & Procurement and Children's Commissioning teams. Wherever possible information should be available to access from a single point in order to reduce duplication of effort and the potential for inconsistencies. In the first instance LCS and Capita should be utilised as the primary systems although it is</p>	Louise Palmer	November 2017	ONGOING: Single placement record is progressing (see S013 below) and is held by the Placements Team. Further work is underway between ICT, Commissioning and Finance regarding improved reporting arrangements and longer term feasibility of utilising the LCS or Capita and Finance module.

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	acknowledged that functionality may limit this in some instances.			
S011	3.1a - Ensure that a process is established for off-contract placement purchases which is compliant with SCC Contract Standing Orders.	Carly Wedderburn	May 2017	COMPLETE: The Contract Standing Orders (CSO) have been updated. The changes were endorsed by Constitution Committee on the 11th April 2017 and were approved at Full Council in May 2017. The CSO have been updated with revised thresholds and also provide better clarity for Officers to ensure they remain compliant with procurement rules and regulations and the CSO.
S012	3.2a - Ensure that the process for approval of placements is enhanced to ensure that the level of discounting offered by providers is received by the approver. Where discounts stated have not been obtained a clear rationale for why this is the case should be provided ahead of approval for the placement.	Louise Palmer	January 2018	ONGOING: <ul style="list-style-type: none"> • Process and procedures documents specify that the Deputy Director/Strategic Manager pre-approves the options submitted to them before the Social Worker can undertake matching. This decision includes scrutiny of the full costs. • Process for Special Educational Needs and Disability (SEND) placements allows for 'renegotiation' to be requested before approval. • Further work to be done between Commissioning and Finance to identify and track discounts. • Placements Team frequently achieve a better rate than the bid price when negotiating individual placements.
S013	3.2b - Ensure that finance monitoring information processes are updated to include: <ul style="list-style-type: none"> • The level of discounts available from each provider. 	Louise Palmer	January 2018	ONGOING: Placements Team single record is complete. Dependent upon SO12 above to ensure that monitoring and application of discounts/negotiated rates takes place.

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	<ul style="list-style-type: none"> • The level of discount applied to each placement. • The % above or below indicative framework cost for each placement. <p>Whilst it is not the responsibility of finance staff to ensure that discounts are applied where appropriate the use of enhanced financial monitoring will facilitate reporting of higher than expected costs.</p>			