

**AUDIT REPORT 20'016**

**FOSTERING AND KINSHIP PAYMENTS**

**EXECUTIVE SUMMARY**

The 2019/20 audit plan provides for an assessment of the systems and controls in place to ensure the accuracy and authorisation of payments made in relation to foster care placements. The audit covered payments made for both foster and kinship care. The annual budget for payments is £1.79m (£1.86m 18/19) and is managed by the Children and Families Placements Service. The service currently makes weekly payments in the region of £34,000 to approximately 80 carers.

The service was revised in early 2019 introducing a new payment scheme which is designed to attract and retain foster carers. Changes to the scheme included a revised fee structure based on skills level and the retention of certain allowances during short breaks of up to 35 days.

The audit looked at controls relating to the calculation, authorisation and payment of fostering fees and allowances. Whilst the service had introduced a new scheme the mechanism for calculating and authorising payment was unchanged. Testing included establishing agreed payment rates, re-calculating a sample of payments, verifying changes to payments and evidencing the audit trail for authorisation.

Systems and controls related to payment for fostering and kinship placement were found to be well established and audit testing has shown a robust audit trail in terms of calculating, processing, and authorising payments.

The audit was carried out in accordance with Public Sector Internal Audit Standards (PSIAS).