

Final Internal Audit Report

No Recourse to Public Funds

June 2019

Distribution: Executive Director Gateway, Strategy and Engagement (final only)
 Director Gateway and Welfare Services
 IASS Team Manager
 Experienced Social Worker

Assurance Level	Issues Identified	
Limited Assurance	Priority 1	1
	Priority 2	3
	Priority 3	0

Confidentiality and Disclosure Clause

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Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

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1. Introduction

- 1.1 No recourse to public funds, 'NRPF', relates to migrants subject to 'immigration control' and who therefore have no entitlement to welfare benefits, local authority housing and homelessness assistance.
- 1.2 Children are not classed as 'NRPF', but may be included under this status due to being with an adult with 'NRPF' status. Where there are no safeguarding concerns, the children will be placed with the adult and assessments undertaken. If there are uncertainties regarding the safeguarding of a child, then the case will be referred to Children's Social Care (CSC).
- 1.3 Families are not provided with 'NRPF' payments indefinitely. Payments are provided if a set criteria is met and whilst waiting for a decision to be made by the Home Office as to whether the family should (a) be entitled to universal credit and other such benefits or (b) whether they should be sent home to their country of origin.
- 1.4 Once families are in the system, they are visited on a 12 weekly basis to verify how they are doing, identify whether any new areas of concern have arisen (potential safeguarding issues) and to review how their Home Office applications are progressing.
- 1.5 The London Borough of Croydon (LBC) has a duty to accommodate, safeguard and promote the welfare of children within the borough.
- 1.6 This audit was undertaken as part of the Internal Audit Plan for 2018/19, as agreed by the Council's General Purposes and Audit Committee.

2. Key Issues

Priority 1 Issue

Six of the sample of nine NRPF cases had not been evidenced as reviewed in the required 6 months (for adults) or 12 weeks (for children), **(Issue 4)**.

Priority 2 Issues

There was no immigration check evidenced for one of the 14 clients sampled, **(Issue 1)**.

Sample testing found that client assessments were not always evidenced as checked and authorised, **(Issue 2)**.

The 'IASS Consent to Share Personal Information with Restrictions' is not fully compliant with The Data Protection Act 2018 and General Data Protection Regulations (GDPR) requirements, **(Issue 3)**.

Actions and Key Findings/Rationale

Control Area 2 : Placement and Assessment	
Priority	Action Proposed by Management
2	<p>The Immigration status of each customer is held on NRPF Connect, which is a secure database, where service users' immigration information are shared between the Home Office and the service.</p> <p>We recognise that the immigration checks should have been recorded on AIS shortly after the case was transferred to the IASS.</p> <p>This issue has been reviewed and going forward, processes have been put in place to ensure that immigration checks of cases transferred from other departments or teams will be recorded on AIS during the transfer process. Thinking long term, we are recruiting imminently an additional worker to lead the NRPF Emergency Response Team, whose responsibility will be to ensure that evidence of the immigration checks is held on AIS.</p>
	<p>Detailed Finding/Rationale – Issue 1</p> <p>The Immigration and Asylum Support Service Guidance details that, 'An Immigration Assessment must be carried out to establish the immigration status of the individual concerned in order to establish whether the person/family falls into one of the categories excluded by schedule 3 of Immigration and Asylum Act 2002.'</p> <p>Examination of the documentation held for a sample of 14 clients identified one instance where evidence of an immigration check was not held. It was explained by the Senior Social Worker that this was because the file had been recently transferred from a different team and that no other records were transferred or kept on AIS. The team had only been tracking the 6 month review and supporting documents obtained after the transfer.</p> <p>Where evidence of immigration checks are not held, there is a risk that this has not been undertaken and that the correct immigration status of the individual is not known.</p>
Responsible officer	Deadline
IASS Team Manager	Up to date

Control Area 2: Placement and Assessment		Detailed Finding/Rationale – Issue 2
Priority	Action Proposed by Management	
2	<p>Due to the high volume of workload and the high turnover of customers presenting as destitute on the day of presentation and requesting support services, assessments have to be carried out on the spot. Consequently, decisions and authorisations have also to be made right after the assessment has been completed. Assessors always discuss each case with the duty supervisor and decisions and authorisations are initially made verbally and thereafter recorded as approved on AIS and EHM.</p> <p>We recognise that this is an issue and going forward the assessments have been authorised on AIS and EHM immediately after their completion. We are also reviewing every assessment uploaded on AIS and EHM to ensure that they have all been authorised on the respective systems.</p> <p>To mitigate this issue on a long term basis, we have decided to restructure the service and recruit additional supervisors in the NRPF Immigration Team and the NRPF Emergency Response Team, so that all new NRPF Destitution assessments and reviews are authorised on AIS in a timely manner. We are at the end stage of the recruitment process.</p> <p>In relation of the Care Act Assessments, we have identified the need to recruit 2 Trusted Assessors to support the supervisor who currently not only holds a high caseload but is also responsible for supervising another social worker. We are in the process of recruiting 2 Trusted Assessors to support the team so that the supervisor's caseload reduces. In doing this,</p>	<p>Section 9(1) of the Care Act 2014 set out the local authority's duty to undertake a needs assessment for an adult in need of care and support. For children this is under section 17 Children Act 1989. Where assessments are conducted, these are required to be checked and authorised by a supervisor.</p> <p>Examination of the documentation and records relating to a sample of nine clients found that:</p> <ul style="list-style-type: none"> • In three instances, the assessments were not evidenced as checked or authorised. • In one instance, although Liquidlogic detailed that an assessment was conducted, this was not available. • In one instance, the assessment was evidenced as checked and authorised, but this was typed in rather than being physically signed. Furthermore, the system does not record who was logged in whilst the contact assessment was typed and approved. <p>Where assessments are not held or are not appropriately evidenced as checked, there is a risk that these have not been correctly conducted, resulting in appropriate care not being provided.</p>

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needs assessments will be authorised in a timely manner.

The social workers have moved to Children Social Care Department and have recruited additional workers to ensure that assessment conducted and uploaded onto EHM and CRS. Children Social Care are also in the process of moving all open cases from EHM to CRS, which process will address the authorisation issues.

The Council is also reviewing its current IT systems to upgrade to one that is more user friendly and which should record who was logged in, whilst the contact assessment was typed and approved.

Responsible officer	Deadline
IASS Team Manager and Unit Manager IT Department	August 2019 (assessments) Summer 2021 (IT)

Control Area 2 : Placement and Assessment		
Priority	Action Proposed by Management	Detailed Finding/Rationale – Issue 3
2	<p>We recognise that the 'IASS Consent to Share Personal Information with Restrictions' document is not fully compliant with DPA 2018 and General Data Protection Regulations (GDPR) requirements, in that it has not been updated with the appropriate date as per the recent DPA 2018 and GDPR requirements.</p> <p>The 'IASS Consent to Share Personal Information with Restrictions' document will be shortly reviewed to ensure that it is fully compliant with DPA 2018 and GDPR requirements.</p>	<p>All service users are required to sign an 'IASS Consent to Share Personal Information with Restrictions'.</p> <p>It was confirmed that all the users sampled had appropriately signed 'IASS Consent to Share Personal Information with Restrictions' forms on file; however, examination of the forms noted that these referred to the Data Protection Act (DPA) 1998 rather than the DPA 2018. These also did not explain how long data would be held.</p> <p>The 'IASS Consent to Share Personal Information with Restrictions' is not fully compliant with DPA 2018 and General Data Protection Regulations (GDPR) requirements.</p>
Responsible officer		
IASS Team Manager	Deadline	
	15 June 2019	

Control Area 3: Continued Monitoring

Priority	Action Proposed by Management	Detailed Finding/Rationale – Issue 4
1	<p>We recognised that this is a major issue, which is due to a severe shortage of staff and because the majority of service users are accommodated out of borough in Wolverhampton, Birmingham, Dudley, etc. making it very difficult for workers to conduct their reviews in a timely manner.</p> <p>Going forward service users are now accommodated within the M25 catchment area. Also, a business case has been completed for the recruitment of additional staff to support service users and ensure that reviews are completed in line with the statutory guidance and policies. The business case is awaiting senior management's approval.</p>	<p>Adult NRPF cases are required to be reviewed every 6 months and child cases every 12 weeks.</p> <p>Examination of the documents and records for a sample of nine NRPF cases found that at the time of the audit testing in May' 18:</p> <ul style="list-style-type: none"> • One adult case, was last reviewed on the 8 November 2017, the prior review was 2 October 2015 which did not observe the 6 month review period. • In one child case, last home visit occurred on 31 May 2017. The 12 week review should have been carried out on 23 August 2017, however, no review was evidenced. • A child case, last home visit occurred on 16 November 2017. The 12 week review should have been carried out on 8 February 2018, however, no review has been carried out since. • A child case, last home visit occurred on 28 September 2017. The 12 week review should have been carried out on 21 December 2017, however, no review has been carried out. • A child case, last home visit occurred on 4 October 2017. The 12 week review should have been carried out on 27 December 2017, however, no review has been carried out. • Another child case, last home visit occurred on 21 September 2017. The 12 week review should have been carried out, however, no recent review was seen by Auditor on the system. <p>Where families are not visited within 6 months or 12 weeks for children to ensure conditions remain static, there is an increased risk that any potential emerging issues and safeguarding concerns will not be identified and appropriately dealt with.</p>
	<p>Responsible officer</p> <p>IASS Team Manager</p>	
	<p>Deadline</p> <p>August 2019</p>	

TERMS OF REFERENCE

No Recourse to Public Funds

1. INTRODUCTION AND BACKGROUND

- 1.1 No recourse to public funds also known as 'NRPF' relates to migrants subject to 'immigration control' and who therefore have no entitlement to welfare benefits, local authority housing and homelessness assistance.
- 1.2 Children are not classed as 'NRPF', but may be included under this status due to being with an adult with 'NRPF' status. Where there are no safeguarding concerns, the children will be placed with the adult and assessments undertaken. If there are uncertainties regarding the safeguarding of a child then the case will be referred to Children's Social Care (CSC).
- 1.3 Families are not provided with 'NRPF' payments indefinitely. Payments are provided if a set criteria is met and whilst waiting for a decision to be made by the Home Office as to whether the family should (a) be entitled to universal credit and other such benefits or (b) whether they should be sent home.
- 1.4 Once families are in the system, they are visited on a 12 weekly basis to verify how they are doing, identify whether any new areas of concern have arisen (potential safeguarding issues) and to review how their Home Office applications are progressing.
- 1.5 The London Borough of Croydon (LBC) has a duty to accommodate, safeguard and promote the welfare of children within the borough.
- 1.6 This audit is being undertaken as part of the Internal Audit Plan for 2018/19, as agreed by the Council's General Purposes and Audit Committee.

2. OBJECTIVES AND METHODOLOGY

- 2.1 The overall audit objective is to provide an objective independent opinion on the adequacy and effectiveness of the control environment relating to 'No Recourse to Public Funds'.
- 2.2 In order to achieve the overall objectives, a risk based systems audit approach will be carried out, documenting and evaluating the actual controls against those expected and based on this, undertaking appropriate testing conducted.
- 2.3 The key findings, conclusions, and subsequent issues identified will be presented at an exit meeting and followed by the circulation of a draft report for consideration by management. Prior to agreement and issue of the final audit report.
- 2.4 The audit will aim to provide management with any good practice guidance arising that could be used on similar contracts.
- 2.5 System testing will be limited to how information is obtained and communicated.

3. SCOPE





- 3.1 The audit included the following areas:

Control Areas/Risks	Issues Identified		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Legislative, Organisational and Management Requirements	0	0	0
Placement and Assessment	0	3	0
Continued Monitoring	1	0	0
Payments	0	0	0
Budgetary Control	0	0	0
Monitoring & Reporting	0	0	0
TOTAL	1	3	0

DEFINITIONS FOR AUDIT OPINIONS AND ISSUES IDENTIFIED

In order to assist management in using our reports:

We categorise our **audit assurance opinion** according to our overall assessment of the risk management system, effectiveness of the controls in place and the level of compliance with these controls and the action being taken to remedy significant findings or weaknesses.

	Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are consistently applied.
	Substantial Assurance	While there is basically a sound system of control to achieve the system objectives, there are weaknesses in the design or level of non-compliance which may put this achievement at risk.
	Limited Assurance	There are significant weaknesses in key areas of system controls and/or non-compliance that puts achieving the system objectives at risk.
	No Assurance	Controls are non-existent or weak and/or there are high levels of non-compliance, leaving the system open to the high risk of error or abuse which could result in financial loss and/or reputational damage.

Priorities assigned to issues identified are based on the following criteria:

Priority 1 (High)	Fundamental control weaknesses that require the immediate attention of management to mitigate significant exposure to risk
Priority 2 (Medium)	Control weakness that represent an exposure to risk and require timely action.
Priority 3 (Low)	Although control weaknesses are considered to be relatively minor and low risk, action to address still provides an opportunity for improvement. May also apply to areas considered to be of best practice.

STATEMENT OF RESPONSIBILITY

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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