

Oldham Council Internal Audit Function

Fostering Service

Audit Report

27th May 2026

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Fostering Service

1 Background

- 1.1 Being a foster parent means caring for a child as part of the family. To be a foster carer you must:
- have the right to work in the UK
 - be able to take care of a child or young person often on a full-time basis
 - they should also be at least 18, although most service providers would require them to be at least 21
- 1.2 There are various types of foster care available for people wishing to foster a child:
- long Term
 - short Term
 - family, friends and kinship
 - emergency
 - remand
 - fostering for adoption
 - specialist therapeutic
- 1.3 If a person becomes a foster parent, they will need to take on the following responsibility:
- care for the child as part of a team – this could include a local authority, schools, health professionals and the child's birth family
 - keep records and write reports about the foster child
 - attend meetings and advocate for the child
 - help the child manage their behaviour and feelings
 - attend training.

2 Objectives and Scope

- 2.1 The objective of the audit is to review and test the operation of the system, including controls, to ensure that appropriate procedures and controls are in place and operating effectively in the administration of the fostering service.
- Reviewing payments made to foster parents / panel members to ensure they are correctly made and authorised.
 - Ensuring the Fostering Services Manager's annual report is received and actioned by the panel.
 - Monitoring the quarterly meetings between the Chair (and vice chair) and the Fostering Services Manager to review the Panel's functioning and report on the quality of work.
 - Ensuring all panel members and potential applicants are subject to satisfactory DBS checks before taking up their appointments, with these being updated every three years. Three references should also be received for each applicant.
 - Ensure all panel members have signed an agreement with the Fostering Service in relation to their panel membership, and be notified of their own personal objectives.
 - Agenda's being prepared for each panel meeting, and potential conflicts of interest recorded.
 - Ensuring there are regular reviews of Foster Carers at least annually.

3 Summary of Findings

3.1 Foster Carer Reviews

Approval of all foster carers must be reviewed within a year of approval, and thereafter whenever it is felt necessary, but at intervals of no more than twelve months.

The review must consider whether the foster carer and their household continue to be suitable. The fostering service must make whatever enquiries it considers necessary to inform this judgement. Specifically, it must take into account the views of the foster carer, the child, and the responsible authority for the child who has been in placement during the previous year.

For the year 2024/25 a total of 83 annual reviews were undertaken. A total of 58% were completed within the agreed timescales. This was an improvement from 2023/24 where 50% of annual reviews were completed within the timescales.

Of the 42% falling outside the timescales, 2% were less than a month out of date, 14% less than two months out of date, 4% less than three months, and 22% were over three months.

A spreadsheet was maintained detailing the foster carer reviews. It listed a total of 200 foster carers where reviews were scheduled. Of these, one review was still outstanding from 01/10/2023, whilst another was outstanding from 01/07/2024. Thirty-five cases were shown as still being outstanding from 2025, and twenty-four cases were due as at 01/01/2026, none of which appeared to have been actioned.

At the time of the review the service stated that the backlog of outstanding reviews was reducing and stood at 86% where reviews had been completed.

The IT service has been approached to facilitate an upgrade of the MOSAIC System which should enable the service to monitor the review process more accurately, and at the time of the review this was ongoing.

Please refer to Recommendation 1 in the Action Plan below.

3.2 Home Visits

Government national minimum standards stipulate that each approved foster carer is supervised by a named, appropriately qualified social worker who has meetings with the foster carer, including at least one unannounced visit a year.

The service attempts to exceed these minimum standards by making two visits a year, and the service monitors this by what they describe as 'Dip Sampling'.

A comprehensive spreadsheet was maintained detailing the individual carers, when the previous visit had been undertaken and when the next one was due. A total of eight carers were shown to be outstanding from 2025, with the oldest one being outstanding since 27/10/2025.

In total the spreadsheet detailed 190 carers where home visits were being monitored, but the spreadsheet maintained detailing foster carer reviews listed 200 carers being monitored.

As noted above, discussions are taking place between the Service and IT in respect of upgrading the MOSAIC System which will enable the tracking of visits to carers and aid the follow up of identified improvement areas.

Please refer to Recommendation 2, 6 & 7 in the Action Plan below.

3.3 Payments Authorisations

Sundry payments made to Foster Carers were made via the Mosaic System. The process for validating any claim was that documentation relating to the claim (receipts, invoices etc) were sent through to the managers supporting each carer, who would then forward to the Business Support Officer for payment to be facilitated.

It was not possible to ascertain where the levels of delegated authority had been agreed allowing the carer's managers to approve payments. The approvals appeared to fall outside the Scheme of Delegation outlined in the Councils Constitution, and no bespoke Scheme of Delegation had been formally agreed.

As of September 2025, with immediate effect, it was agreed that the spend controls already in place (in Agresso) would be enhanced further with all requisitions being approved by a director (or Executive Director where an AD reports directly).

It was not possible to obtain the relevant authorisations for nine payments made after September 2025 under the new spending control.

Please refer to Recommendation 3 & 4 in the Action Plan below.

3.4 Adaptations and Extensions Policy

At the time of the review no Adaptions and Extensions Policy had been drafted and formalised. This issue was initially raised in a briefing note in 2022.

Please refer to Recommendation 5 in the Action Plan below.

3.5 Carer Allowances

Various payments were made to carers involved in the Mockingbird scheme who had enhance responsibilities and as such were paid higher rates than other carers. The rates paid to these carers were above those agreed for other carers and agreed retrospectively in November 2025.

Please refer to Recommendation 8 in the Action Plan below.

3.6 Sundry Payments Postings

Fifteen sundry payments made from the Mosaic System were reviewed to verify the integrity of those purchases. One payment selected related a clothing allowance for £150.00, but there was no record in the Mosaic System of any client for this payment.

Please refer to Recommendation 9 in the Action Plan below.

4 Audit Opinion

- 4.1 The Fostering Service provide an adequate service in many areas of its core business, and a comprehensive Annual Report was written giving updates as to progress within the service.

There were several internal control issues which require strengthening. These were around the payment of sundry expenses and the lack of a comprehensive Scheme of Delegation in respect of the amounts of payments and the authorisation of payments.

In addition, the monitoring of visits to carer homes and the subsequent follow up of areas identified for improvement needed closer monitoring.

As a result, the Audit Opinion is **Limited**.

- 4.2 An Action Plan to address these areas is included in Section 6 of this report.

5 Acknowledgement

- 5.1 Internal Audit would like to thank officers in Service for their help in this review. In the meantime, once the report has been finalised, Internal Audit would be grateful if you would complete the Customer Service Questionnaire so that Internal Audit can continuously review its service delivery.
- 5.2 This review will be conducted in accordance with the Global Internal Audit Standards (GIAS) 2024 and the Chartered Institute of Public Finance (CIPFA) Local Government Application Note (LGAN) 2024.

6 Action Plan

The table below shows the recommendations for the findings arising from our review. We have prioritised the recommendations to provide you with an indication of the importance for each nominated officer. If an officer disagrees with the prioritisation they should discuss this with the auditor as part of the finalisation process.

High Priority - Significant risk to the Council or Service, the recommendation is essential for sound or effective control.

Medium Priority - Moderate risk to the Service it is important that the recommendation is completed

Low Priority - Small risk to the Service it would improve control if the recommendation were to be completed.

No	Recommendation	Priority	Management Comments	Responsibility	When
1	Foster Carer Reviews All reviews of Foster Carers should be undertaken within one year and reviewed by Panel. A comprehensive database should be maintained detailing dates of reviews for all carers and the respective dates completed.	High	Agreed: Timeliness of Foster Carer reviews are consistently high and the cases identified in the report had returned to Panel. Work has been completed with Panel chair and BS to record clearly that households had continuing registration whilst interim issues resolved. It is acknowledge the need for a comprehensive database, and this need is recognised and part of the ongoing changes required in Mosaic. We are working with Mosaic and BI to improve the system and strengthen reporting, accepting this will not be resolved quickly. As an interim measure an additional monitoring field is added to the Foster Carer Register and reviewed weekly by team managers. Progress will be	Head of Adoption and Fostering	30 June 2026

No	Recommendation	Priority	Management Comments	Responsibility	When
			reported to senior management at the monthly Performance meeting.		
2	Home Visits Home visits should be monitored, those carers where visits are due should be followed up.	High	Agreed: Home visits (Supervision visits) are monitored by Team Managers and reported on weekly through Power BI reports. In addition, discussed in supervision with SSW's and reviewed by Senior Managers in monthly performance meetings. In Oldham good practice is that 2 unannounced visits are undertaken in addition to the regular visits. We acknowledge a report from Mosaic is required, work is ongoing with Mosaic to be able to report on this and fostering needs should be prioritised but is a substantial piece of work. For assurance unannounced visits are recorded as part of the Annual Review documentation These reports are quality assured by team managers and discussed by Panel as part of the review and further checks by by ADM	Head of Adoption and Fostering	Work on Mosaic reporting is ongoing, and reports will be requested as a priority 31 Dec 2026

No	Recommendation	Priority	Management Comments	Responsibility	When
3	Payment Authorisations Evidence for agreeing approval levels for all staff given responsibility for authorising payments should be maintained. An agreed Scheme of Delegation should be formalised detailing authorised approval levels for all staff members. This should be reflected in the Mosaic system.	High	Agreed: The service agrees that approval arrangements on Mosaic require review and stepping forward and Mockingbird elements are in the process of being formalised. Work is underway with the request for changes to the Mosaic payment system and HOS with AD will review the overall delegation scheme of delegation on Mosaic. Once agreed, this will be communicated to all relevant staff and embedded within Mosaic approval workflows.	Head of Adoption and Fostering	31 July 2026
4	Sundry Payments All payments made after September 2025 should be approved and evidenced as being approved in both the Agresso and Mosaic Systems by a director or where applicable by an Executive Director.	High	Agreed: The service will implement this recommendation in line with the Mosaic changes and update the scheme of delegation.	Head of Adoption and Fostering	30 September 2026
5	Adaptations and Extension Guidance Clear guidance and processes should be agreed for all adaptations and extensions undertaken with foster carers.	High	Agreed: The service accepts this recommendation. Draft guidance covering adaptations and extensions is being developed This will include approval routes, funding limits, repayment arrangements, and circumstances where legal charges may be required. The guidance will be presented for approval and then	Head of Adoption and Fostering	30 September 2026

No	Recommendation	Priority	Management Comments	Responsibility	When
			shared with staff and carers to ensure clarity and consistency.		
6	MOSIAC Liaison with IT should continue to ensure upgrades in respect of Foster Parent reviews and Home Visits should be completed.	High	Agreed: The service is in support of Fostering upgrades and reports being prioritised by Mosaic and BI. Management confirms that monthly engagement with Mosaic and BI continues regarding Mosaic system upgrades. The enhancements will improve tracking, reporting and compliance monitoring for foster carer reviews and unannounced visits. Interim manual controls remain in place until system changes are fully implemented.	Head of Adoption and Fostering	31 Dec 2026
7	Carer Monitoring A reconciliation should be undertaken between the respective spreadsheets maintained for monitoring carer reviews and home visits to ensure they are in line with each other, and are fully reflected in Mosaic.	Medium	Agreed: There is an acknowledgement that the data from the fostering register spreadsheet and report from power BI will indicate discrepancies this is because Foster Carer reviews are recorded on a spreadsheet and at a point in the month are updated following ADM decisions.	Head of Adoption and Fostering	31Dec 2026

No	Recommendation	Priority	Management Comments	Responsibility	When
			Visits are reviewed at least weekly by reports. There will always be a discrepancy through the different reporting mechanisms due to the timings of the reports with one being generated and one manually updated following ADM		
8	Carer Payments All payments to carers should be formally agreed prior to payment on an annual basis.	High	Agreed: This is in place and evidenced in the payment guide	Head of Adoption and Fostering	Completed May 2026
9	Sundry Payment Postings All payments made should be recorded in the Mosaic System. A review should be undertaken as to how a payment is made from the Mosaic System when there is no corresponding client registered in the system. Adequate controls should be put in place to ensure this cannot happen.	High	Agreed: There are no identified issues, the example given by internal audit related to one case which was evidenced on Mosaic.	Head of Adoption and Fostering	Completed May 2026