
MINISTRY OF COMMUNITY, FAMILY AND CHILDREN'S SERVICES

4.02—Child Welfare Services Program

(Follow-up to VFM Section 3.02, *Special Report on Accountability and Value for Money—2000*)

BACKGROUND

The Ministry (at the time of our audit named the Ministry of Community and Social Services) is responsible for setting expectations for child welfare services through legislation and regulations, as well as for funding and monitoring services provided by Children's Aid Societies (Societies) and taking corrective action where necessary. Services provided by the Societies include: investigating and assessing child abuse and neglect allegations, as well as providing counselling, guardianship, and many other types of services that protect children from neglect and physical, sexual, and emotional abuse.

Program expenditures for the year ended March 31, 2002 were \$879 million, \$864 million of which was for transfer payments to the Societies. Program expenditures during 1999/2000 totalled approximately \$654 million, of which \$642 million was for transfer payments to the Societies. The Ministry estimated that 154,000 children from 86,000 families received some type of service from a Society during the fiscal year ending March 31, 2000.

Our principal conclusion in 2000 was that the Ministry did not have sufficient assurance that children in need were adequately protected because:

- Societies could not always demonstrate that they conducted their assessments of children reported to be in need;
- not all plans of service, which outline the actions that need to be taken to protect a child, were prepared or implemented on a timely basis by the Societies; and
- program outcome measures had not been developed and implemented.

We also concluded that the Ministry's new funding framework, which was to be fully implemented in the 2000/01 fiscal year, is a substantial improvement over the Ministry's previous method of determining the Societies' program funding. However, the Ministry will not realize the full benefits of the new funding framework until direct and indirect service costs to be funded are linked to the nature and assessed cost of the underlying services to be received.

We made recommendations to overcome these deficiencies, and the Ministry responded to our recommendations with commitments to take corrective action.

CURRENT STATUS OF RECOMMENDATIONS

The Ministry is in the process of acting on many of our recommendations as detailed below.

CASE MANAGEMENT

Eligibility for Protection Services and the Protection Investigation

Recommendation

To help ensure that children reported to be at risk receive the appropriate protection in compliance with the Risk Assessment Model for Child Protection in Ontario, the Ministry should:

- *conduct periodic file reviews to assess compliance with case management standards in general and the Risk Assessment Model in particular; and*
- *identify instances of non-compliance and ensure that the necessary corrective actions are taken on a timely basis.*

Current Status

The Ministry developed a case-monitoring tool in December 2000 and conducted pilot reviews of a sample of child protection files from 13 Children's Aid Societies between April and June of 2001. The resulting report, dated October 2001, identified areas where further improvement was required to achieve compliance with the Standards for Child Protection Cases, including the risk assessment model, and also identified the need for changes to the Standards for Child Protection Cases.

Subsequent to these pilot reviews, the Ministry planned to conduct child protection reviews in all Children's Aid Societies in 2002. Reviews commenced at two Societies in the first three months of 2002, but a labour strike in the Ontario government put further reviews on hold. The Ministry plans to resume these reviews at the remaining Societies commencing in October 2002.

Protective Services and Plans of Service

Recommendation

To help ensure that minimum service expectations for all child protection cases are met, the Ministry should monitor the Societies to make sure that:

- *services for children determined to be in need of protection commence within the required 30 days of the initial referral; and*
- *plans of service for these children are prepared and approved by a supervisor within 60 days, as required.*

Current Status

The previously mentioned ministry pilot reviews identified a continuing need for better compliance to ensure that services for children determined to be in need of protection commence within the required 30 days of the initial referral and that the plans of service for these children are prepared and approved by a supervisor within 60 days, as required.

As already noted, the Ministry is planning to conduct child protection reviews in all Children's Aid Societies commencing in October 2002 to determine compliance with all requirements of the Standards for Child Protection Cases.

Children in Residential Care—Crown Ward Reviews

Recommendation

To help ensure that services provided to Crown wards are appropriate and in compliance with regulatory requirements, the Ministry should:

- *issue directives in all instances where program regulations have not been complied with; and*
- *monitor Children's Aid Societies to ensure they act on all directives and confirm compliance with the directive to the Ministry within 60 days, as required.*

Current Status

We were advised that the Ministry re-emphasized the need to issue directives for all instances where there is non-compliance with program regulations. In addition, the Ministry has developed and implemented an automated bring-forward system that provides prompt follow-up to ensure that Societies now act on directives issued within the required 60 days.

A review by Internal Audit of a sample of Crown ward files found that the follow-up reports to the Ministry were generally issued within the required 60 days. However, the follow-up reports often did not provide specific action to address the concerns identified. There was also often no evidence of ministry review of the appropriateness of the responses provided by the Societies.

Children in Residential Care—Non-Crown Ward Reviews

Recommendation

To help ensure that protective services provided to non-Crown wards are appropriate and in compliance with program requirements, the Ministry should:

- *implement a regular review process for non-Crown ward files; and*
- *ensure instances of non-compliance with program requirements are communicated to the Children's Aid Society and, where required, acted upon on a timely basis.*

Current Status

The Ministry has substantially addressed this recommendation. The Ministry's monitoring process for non-Crown ward cases was implemented in 2001, in which the Ministry now conducts annual reviews on a sample of non-Crown wards. The Ministry has issued guidelines for these reviews, as well as guidelines for issuing directives when the reviews identify non-compliance with legislative and regulatory requirements. Societies are required to report corrective action to the Ministry within 60 days.

A review by Internal Audit of a sample of non-Crown ward files identified that directives were issued for areas of non-compliance.

Extended Care and Maintenance Agreements

Recommendation

To help ensure the successful transition of Crown wards to independent living, the Ministry should ensure that:

- *Children's Aid Societies regularly monitor youths who have extended care and maintenance agreements, as required by their agreements, and assess compliance with their personal goals; and*
- *where the requirements of the agreements are not met, corrective action is taken by the Societies on a timely basis.*

Current Status

The Ministry indicated that it considers the current accountability practices by regional offices to be sufficient to monitor the Societies' practices with respect to the extended care and maintenance agreements of former Crown wards. As a result, the Ministry has not made any progress on this recommendation.

Licensing of Children's Residences

Recommendation

To encourage residential care operators to provide minimum acceptable standards of care to children, the Ministry should conduct and document licensing inspections and renew licenses on a more timely basis.

Current Status

The Ministry has implemented a licensing module into its Service Management Information System and intends to monitor the licensing review and renewal data through the system annually.

Serious Occurrences

Recommendation

To help safeguard children in care and gain assurance that all serious occurrences are appropriately dealt with, the Ministry should take the necessary steps to ensure that:

- *an initial notification report is prepared for every serious occurrence reported; and*
- *written follow-up reports from the Societies are evaluated to determine whether appropriate actions have been taken.*

Current Status

The Ministry has made substantial progress in implementing this recommendation. The Ministry sent out revised standards and guidelines for reporting serious occurrences in July 2000. These guidelines require that Societies inform regional offices of a serious occurrence within 24 hours, and the occurrence must be followed up with a written report within seven working days. Annual summaries and reports of analyses are also now prepared by the Societies and submitted to the regional offices.

FINANCIAL ACCOUNTABILITY

Funding Framework

Recommendation

To ensure that funding provided to Societies under the new funding framework is appropriate for them to deliver the required services, the Ministry should ensure that:

- *residential care per diems are based on an assessment of what reasonable costs should be for each type and category of care;*
- *direct service cost funding is based on a ministry review and assessment of the underlying work performed;*
- *funding for indirect service costs is reasonable and appropriate for each Society; and*
- *revenue benchmarks are reasonable and attainable.*

Current Status

The Ministry conducted an interim review of the benchmarks and design elements of the Child Welfare Funding Framework in 2000. Based on the results of this review, the Ministry revised the benchmarks used in the funding framework for 2000/01 for group care costs and revenue earned.

In the Fall of 2001, the Ministry completed a more comprehensive review resulting in a number of draft recommendations for changes to the funding framework designed to

ensure flexibility in providing the most appropriate services, contain costs, and reduce inequities across agencies.

Service and Financial Data Review

Recommendation

In order to maintain the integrity of the Ministry's new funding framework, which is primarily based on caseload volume data, the Ministry should:

- *establish ongoing requirements for and conduct regular Children's Aid Society caseload data reviews; and*
- *adopt appropriate policies and procedures for such reviews.*

Current Status

Regional offices are now instructed to conduct caseload data reviews for all Societies at least once a year, regardless of volume, by May/June of each year.

The Ministry has developed and implemented the use of detailed checklists and questionnaires for these reviews. The reviews include an examination of a sample of case files in the non-residential and residential categories, as well as interviews with key management and financial staff. Concerns identified are to be monitored for corrective action where required.

Quarterly Reporting

Recommendation

In order to ensure the timely identification, analysis, and follow-up of significant in-year variances in expenditure and caseload data, the Ministry should:

- *obtain the required quarterly report variance analysis on a timely basis and in sufficient detail, including the necessary explanations and corrective actions; and*
- *clearly document its process for reviewing variances and, if necessary, approving the appropriate corrective actions.*

Current Status

In 2000/01, Societies provided the Ministry with the first annual Service Management Plan, which included expenditure forecasts. The Societies are now instructed to submit quarterly reporting packages that capture detailed service and financial data that are to be reviewed by the Ministry and compared to the Service Management Plan.

Annual Program Expenditure Reconciliation

Recommendation

To ensure that it identifies and recovers ineligible expenditures and surplus funding, if any, the Ministry should:

- *receive, review, and approve all Annual Program Expenditure Reconciliation on a timely basis; and*
- *ensure that Annual Program Expenditure Reconciliations and accompanying audited financial statements contain sufficiently detailed and comparable information to identify ineligible expenditures or surplus funding.*

Current Status

The Ministry advised us that it has developed and implemented a revised fourth-quarter year-to-date and year-end Reconciliation Report that incorporates the Annual Program Expenditure Reconciliation.

OTHER MATTER

Information Systems

Recommendation

In order to facilitate the collection and analysis of performance data necessary to effectively administer the Child Welfare Services program, the Ministry should expedite the development of its proposed management information system.

Current Status

The Ministry has implemented the Fast Track Information System in all Societies for tracking high-risk families.

The Ministry also plans to collect outcome and performance data on 10 key Child Welfare indicators and is to build these into a Comprehensive Child Welfare Information System to be developed at a later stage. The Ministry is currently working on a pilot project to collect data on three of these ten indicators. The Ministry plans to implement regular reporting requirements to collect all outcome data beginning in 2002/03.