

Appendix C:

Audit scope and method

Scope of this audit

Who we examined

We examined the following agencies:

Agency	Their key responsibilities
The department	Designing and delivering programs that aim to provide safe homes for children who cannot live with their family, including kinship care

Our audit objective

Is the department meeting the needs of Victorian children in out-of-home care?

What we examined

We examined:

- if the department effectively plans for and manages out-of-home care demand, capacity and availability
- if placements are suitable, sufficient, and culturally appropriate, in line with the Act.

Aspects of performance examined

Our mandate for performance audits and reviews includes the assessment of economy, effectiveness, efficiency and compliance (often referred to as the '3Es + C').

In this audit we focused on the following aspects:

Economy	Effectiveness	Efficiency	Compliance
○	●	○	●

Key:

- Primary focus
- Secondary focus
- Not assessed

Conducting this audit

Assessing performance To form a conclusion against our objective we used the following lines of inquiry and associated evaluation criteria.

Line of inquiry	Criteria
1. Does the department monitor demand for and access to out-of-home care services to assess system capacity?	1.1 The department collects and maintains accurate, timely and complete information on the needs, characteristics and cohort of children who need out-of-home care to support effective placement matching.
	1.2 The department monitors and forecasts out-of-home care demand and system capacity using this information to inform planning and investment decisions.
2. Does the department oversee the availability and sufficiency of out-of-home care services.	2.1 The department monitors and oversees availability and sufficiency of out-of-home care services to ensure children's needs are met across different placement types and including culturally safe options for Aboriginal children in compliance with the placement principles of the <i>Children, Youth and Families Act 2005</i> .

Our methods As part of the audit we:

- reviewed documentation to understand the frameworks, guidelines and procedures that the department has in place for out-of-home care. This included reviewing relevant legislation, policies, procedures, guidance materials, system documentation, and internal reporting to assess how the department plans for, records, monitors and reports on children's needs, placements, cultural safety, stability and case planning.
- conducted interviews with the department's staff across operational roles to gain insights into assessment and placement practices, data collection and use, implementation of policies, challenges affecting service delivery and data quality, and how information is used to support decision making for children in out-of-home care.
- collected and analysed data, primarily from CRIS and related systems, to examine trends, patterns and outcomes for children in out-of-home care. This included analysing data over time and by key subgroups (such as age, placement type, division, Aboriginal and Torres Strait Islander status, and sibling group status) to assess children's needs, placement stability, cultural safety, and alignment with legislative principles, policy expectations and relevant benchmarks. Where appropriate, we compared outcomes across cohorts and against national indicators to identify differences, emerging issues and areas of risk.

Level of assurance

In an assurance review, we primarily rely on the agency's representations and internally generated information to form our conclusions. By contrast, in a performance audit, we typically gather evidence from an array of internal and external sources, which we analyse and substantiate using various methods. Therefore, an assurance review obtains a lower level of assurance than a performance audit (meaning we have slightly less confidence in the accuracy of our conclusion).

Compliance

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

We also provided a copy of the report to the Department of Treasury and Finance and the Department of Premier and Cabinet.

Cost and time

The full cost of the audit and preparation of this report was \$745,000.

The duration of the audit was 10 months from initiation to tabling.
