



# PROCEDURE

## *FOR PERFORMING*

### *SYSTEM BASED AUDITS*

#### *IN CHILD WELFARE FACILITIES*

**Authors:**

Eric Backer-Røed, Norway  
Anniki Lai, Estonia

**Contributing expert on interviewing children:**  
Thorbjorg Sveinsdóttir

**Editor:** Daja Wenke

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## **1. PURPOSE AND USE OF THE PROCEDURE**

This procedure describes how a system based audit with verification (if relevant) of a child welfare facility should be planned, performed and reported. It can be used as a practical guide for audit personnel within this field. The procedure is an integral part of the basic course on the AudTrain Model for monitoring child welfare facilities.

## 2. WHAT IS MONITORING

Monitoring is one of several measures to ensure the full implementation of national legislation in practice. Monitoring contributes to ensuring that:

- The population's needs for services are met;
- Services are provided in a professional manner;
- Shortcomings or failures in service provision are prevented;  
and
- Resources are used sensibly and efficiently.

Child welfare services are governed by a set of laws and regulations that are binding to all actors and service providers involved. Legislation determines what type of services should be in place and what constitutes adequate services. Legislation defines the rights and entitlements of service users as well as relevant procedures. Public and private service providers are responsible for complying with these requirements and need to check their activities through internal control and management systems. State authorities are responsible for monitoring if and how national laws and regulations are implemented and whether the service provision complies in practice with the standards afforded under national law.

Monitoring can take place as a planned activity (planned monitoring) or in response to events (event-based surveillance). The methods used are either inspection or system based audit.

## **3. INSPECTION AND INTERVIEWING CHILDREN**

### **3.1 Inspection**

An inspection is a simpler form of monitoring than a system based audit. While a system based audit focuses on the management system and the process that leads to a result or product, the inspection focuses on the outcome and to which degree it is in compliance with the requirements of relevant laws and regulations.

During an inspection, interviews are conducted with employees, similar to the procedure in system based audits. The difference is that, during inspections, employees are usually interviewed in groups, while individual interviews are conducted during the audit. An inspection does not require any written documentation prior to the visit to the facility.

Inspections may be announced or unannounced and shall generally be carried out by two persons. An inspection concludes with a review of the nonconformities and remarks identified.

### **3.2 Interviewing children**

Interviewing children about their experience in the facility is a part of the audit preparations. The main objective is to gather information from the children that will later on inform the system based audit, i.e. the audit of the management system. Interviewing children serves essentially to give children the opportunity to express their views.

It is recommended that two persons from the audit team conduct the interviews with children, one as the main interviewer and the other as a note taker and support person to ensure that no important aspects are overlooked.

The interviewers should be aware of their roles and responsibilities to conduct interviews with children with care and with respect for ethical standards. Empathy is important in all interviews with children, in particular when speaking to children who are considered particularly vulnerable. While being empathic, the interviewer should also be neutral, focused and avoid showing her or his own feelings or expressing her or his personal opinions. The interviewer shall never make any promises to the child or raise hopes of issues that are beyond her or his influence.

Confidentiality is important and the child should be informed that any information that she or he provides during the interview will be treated strictly confidential. When the children raise general issues during the interviews concerning their situation or needs at the facility, the interviewers should however convey these messages to the facility staff in generalised terms. Should the child disclose any act of neglect, violence, sexual or physical abuse or other infringements against the law, the interviewer has to observe reporting obligations to the competent authorities (police and/or child protection services). In many countries and contexts, mandatory reporting obligations of acts of violence or abuse of children override rules of confidentiality. The interviewers should be aware of relevant national laws and regulations.

### **Preparations for the interviews with children**

Prior to the interviews with children, the audit team has to contact the facility and ensure that the staff inform the children about the visit of the auditors, the role of an auditor and why they are coming to interview the child. It can be useful for the auditors to obtain information about the children beforehand, as for instance each child's individual care plan, developmental status, language abilities, disabilities or possible diagnosis.

#### *1. Preparing each child for the interview*

At the beginning of the interview, the interviewer introduces the audit team, the purpose of the interview, his or her role and what they can do for the child.

#### *2. Location of the interview*

A quiet and comfortable room with as little distraction as possible. Smaller rooms are better, preferably without the presence of toys except crayons and paper or play-dough.

#### *3. Who conducts the interview?*

The audit team conducts the interviews. In most cases, it is not important if the interview is conducted by a man or a woman but what matters is the interviewer's ability to approach the children and to communicate effectively with them.

#### *4. Interviewer's appearance*

The interviewer's appearance should be neutral. The interviewer should speak with a calm but determined voice.

#### *5. Interview setting*

The use of tables in the setting should be avoided and interviewers should never sit in an interrogation style across a table or in front of the child. The chairs should rather be arranged at an angle. The doors to the interview rooms must not be blocked. The note taker should largely refrain from making any comments or intervening in the interview.

#### *6. Participants in the setting*

Only the interviewer and the note taker should be participating along with the child. In some occasions, interpreters might be needed. In rare occasions, the interviewer might consider to invite a staff member whom the child trusts to join the interview. Children should always be interviewed individually and not in a group. A possible exemption from this could be siblings.

#### *7. Timing and time frame*

Children often have a short attention span, so interviews should be as short and to the point as possible. External factors that might influence the child's concentration during the interview should be reduced.

### **The interview**

The interview should follow a protocol (see the example in the annex). In the beginning of the interview, the interviewer and note taker should introduce themselves to the child and engage the child in a conversation that is interesting to the child, for instance about hobbies and skills. After this introduction, the interview should focus on the child's life in the facility and give the child an opportunity to express her- or himself freely. This should be followed by open-ended questions that gradually become more focused on specific questions regarding the central topic of the audit. At the end of the interview, it is important that the interviewer sums up and shifts the conversation to a neutral topic. The interviewer will then thank the child for her or his participation and effort.

## 4. SYSTEM BASED AUDIT

Audits must be planned and executed independently of those owning, running and providing the services under audit. Independence is the basis of impartial audits.

Audits must be predictable. The aspects and evaluations on which audit decisions are based must be documented and be of a type that may be subsequently verified.

Audits must comply with best administration practice. The information obtained shall be processed with due care and respect and must only be used as intended.

Audits are dependent on the openness of interviewees and make a point of basing their evaluations on several sources to avoid putting too much unnecessary pressure on any single staff member of the facility.

A system based audit is a method of checking whether a child welfare facility complies with the requirements of the legislation and regulations. In consultation with the facility, the management has to demonstrate whether the facility's activities are planned, organised, performed and maintained in accordance with the rules.

In other words, a system based audit is a systematic assessment, in which the various steps of the assessment process are predefined. This ensures predictability for the facility and helps to ensure comparable results from various audits, which can help forming the basis for a more general description of whether child welfare facilities are run according to the rules. System based audits are an addition or supplement to inspections of facilities focusing on one or more individual children.

It is neither beneficial nor practically possible to inspect in an annual system based audit all the requirements a child welfare facility is to meet. This is why various themes are chosen, which will together give a more complete picture.

## **5. PERFORMING A SYSTEM BASED AUDIT**

A system based audit of a child welfare facility contains the following elements:

### **I. Preparation**

1. Composition of the audit team
2. Selection of the theme
3. Operationalizing the requirements of the authorities
4. Notification of the audit to the facility
5. Obtaining relevant documentation from the facility
6. Drafting a time schedule for the audit
7. Reviewing the documentation
8. Developing the checklists

### **II. Execution**

9. Opening meeting
10. Interviews
11. Verifications (if required)
12. On-site inspection (if required)
13. Closing meeting

### **III. Reporting**

14. Written report to the facility

### **IV. Follow-up**

15. Follow-up on any nonconformities

The individual steps involved in the preparation and execution of a system based audit are defined in more detail below. Please refer also to Chapter 7.

### **The audit team**

System based audit is performed by an audit team composed of the audit leader and one or more auditors. To ensure that the qualifications of the team members are appropriate and up-to-date, continuous training should be available for their respective roles. It may be appropriate to have a trainee present acting as an observer. The audit leader should have experience from previous audits. The team should have access to technical assistance from specialists with competence in the thematic area(s) of the audit. The audit team members should be able to consult with other specialists to formulate the guiding questions for the audit and the interviews and to interpret the data and responses gathered.

### **Selection of the theme**

A theme for the audit should be selected first. Audit themes can be selected by the responsible authorities in order to ensure concurrent audits of the same thematic areas throughout the country or in a specific region. Locally, the choice of theme can be based on problematic areas identified, areas where there is a risk of failure and/or themes that together give a more comprehensive picture (indicators) of how the facility is run.

Previous audit reports, including system based audits and audits focusing on one or more individual children, the results from internal audits, any complaints from residents as well as media articles may all provide an indication as to the selection of the theme.

### **Operationalizing the rules**

The monitoring authority must specify the rules, which form the basis of the audit. Individual provisions must be interpreted (operationalized) and broken down into positive duties. What has the facility to do in order to fulfil the requirements laid down in the various provisions (legality check)?

### **Checklists**

The background material and documentation is important for the auditors to be able to formulate questions (checklists) for the audit of the facility. A system based audit follows the chain of command in the facility. The questions are therefore repeated at different levels in the facility, which can help to reveal any non-standard practices or ambiguities. The answers have to be checked against each other and against the documentation that has been reviewed.

A checklist is a list of questions compiled for each theme addressed by the audit. Checklists are used during audit interviews. They help to identify the facility's practices in the area under audit and give the monitoring authority the means to gather relevant information in order to conclude whether the facility fulfils the official requirements for the area. Some questions help the audit team to obtain general knowledge and details about an activity, whilst others concern more directly the fulfilment of the statutory and regulatory requirements for the area.

The audit team's starting point is the existing obligation under a law or regulation pertaining to the child welfare facility.

The audit team compiles checklists by:

- Identifying the official requirements (statutory and regulatory) pertaining to the facility in relation to the selected theme(s),
- Interpreting the requirements to specify the duties implied by them,
- Checking that the responses to the questions will provide the team with details of the facility's activities in fulfilment of its duties under the statutory and regulatory requirements,
- Checking that all relevant information from the documentation review is followed up on the checklists, and
- Checking that the questions are directed at all levels, i.e. the entire chain of command.

### **Interviews with staff**

Interviews with the staff of the facility will normally take place between the audit team and a single interviewee. If the facility wants an observer to be present, approval from the audit leader must be obtained. There must be a prior agreement as to who will conduct the interview. The checklists will act as an important aid during the interviews, although the interviewer should avoid to read out the questions. The way in which questions are asked shall not allow any inference as to the interviewer's own views. Neither should the interviewer indicate agreement or disagreement with the interviewee.

### **Verification**

Verification refers to the process of gathering objective proof that a situation is indeed as it has been described. If possible, the details provided in interviews should be verified by checking documents or through inspections of the facility. Details on the use of restraining measures, for instance, should be verified by checking the facility's restraining measures log.

Verification can also be achieved through a separate check in follow-up to a system based audit. The aim is to check that the facility has acted upon the results of the system based audit. Verification may be performed, for instance, in connection with an audit of the facility focusing on an individual child.

## **6. DETAILED PROCEDURE FOR PERFORMING A SYSTEM BASED AUDIT IN A CHILD WELFARE FACILITY**

The aim of the system based audit is to:

- Establish whether official requirements are met,
- Establish whether activities are performed as described,
- Identify potential for improvement or contribute to improvements, and
- Encourage the facility to systemize its activities and to put in place internal checks.

### **6.1. Composition and tasks of the audit team**

An audit team must consist of at least two persons, one being the audit leader and one or two assistants. The members of the audit team should be familiar with system based audits and should have completed, as a minimum, the basic training course.

The audit leader and assistants are responsible for:

- Following the procedure for performing a system based audit,
- Identifying and documenting nonconformities and remarks, and
- Maintaining the confidentiality of any details concerning internal aspects of the facility that are not relevant for the audit.

The audit leader should have experience of system based audits, and be authorised to make decisions concerning the execution of the audit, including the classification of findings, such as nonconformities and remarks.

The audit leader's responsibilities include the following:

- Writing a comprehensive activity plan for the audit,
- Ensuring that the relevant documentation is compiled, and
- Ensuring that the audit is well planned and prepared, including the preparation of documents and instructing the audit assistants.

## **6.2. Conditions**

When planning the audit, the audit leader must ensure that its purpose, scope and timeframe are defined:

- What themes should the audit cover?
- What verifications should be applied (if any)?
- What will be the timeframe of the audit?

## **6.3. Notifying the facility**

The audit leader must send written notification to the facility in advance (4-6 weeks) of the audit. The notification must also provide information about general details and the purpose of the audit as well as the audit themes. The notification shall also include a list of documents that the facility is requested to submit prior to the audit to inform the preparations. The notification shall clarify who is considered the key contact person for the audit within the facility. Ideally, this should be the head of the child welfare facility. In addition to the written notification, the audit leader should make contact by phone with the facility's contact person to clarify various details related to the audit.

The purpose of making contact is to:

- Get to know each other and to create the basis for positive working relations,
- Ensure the facility's cooperation to provide the relevant documents,
- Identify key staff members for interviews, and
- Address practical details of the audit.

## **6.4. Time schedule**

A time schedule for the audit should be drafted indicating the time of the interview with each informant as well as the timing of verifications (if any).

The draft time schedule has to be sent to the facility for comments before the audit starts. It is recommended to review and update the time schedule together with the facility staff at the opening meeting.

## **6.5. Tasks of the audit team**

The audit team has to agree on the activities and areas of the facility that are to be audited. The audit tasks shall be delegated by the audit leader in consultation with the assistants.

Before the audit starts, the following documents should have been compiled and be available to the audit team:

- Relevant laws, regulations and guidelines,
- Child welfare facility plan with documented elements of its internal control, organization chart, job descriptions etc.,
- Manuals, procedure binders, instructions,
- Plans, annual reports and internal audit reports,
- Approvals, previous audit reports, complaints from residents.

These can be used to generate lists with predefined questions (checklists) adapted to the audit theme, the facility and staff to be interviewed.

## **6.6. Performing a system based audit**

A system based audit as described in this procedure, including the opening meeting, interviews, verification (if relevant) and the final meeting, is expected to take one day.

### **6.6.1 Opening meeting**

An opening meeting is held at the beginning of the audit. The purpose of the meeting is to inform the child welfare facility personnel who are involved in the audit about the purpose and scope of the audit and about the details of how it will be performed. It is also appropriate to go through the time schedule to ensure that it can be adhered to, and to discuss whether changes may be needed. The audit leader will chair the meeting.

#### **Agenda**

The following agenda is recommended:

1. Presentation of the participants,
2. Explanation by the monitoring authority of the purpose and scope of the audit,
3. Details on the theme(s), description of the procedure for the audit, explanation of interview techniques and how the results will be used by the monitoring authority.

### **6.6.2. Interviews and verification**

In addition to the review of documents, interviews are an important source of information for the audit. The information obtained from interviews has to be checked by posing the same questions to staff members in different positions and levels of the child welfare facility. The audit team members document all details and findings on an on-going basis.

If the responses given during an interview do not provide satisfactory explanation of what was asked, supplementary questions can be asked until the question is resolved or the interviewee declares that she or he cannot offer any further information. The auditors should explain to each interviewee that it is fine if they respond "I don't know". If an interviewee is not able to respond to a question, the auditor should ask her or him who might be in a position to respond.

Once the interviews and assessments are completed, the audit team draws their conclusions. Any nonconformities and remarks have to be formulated on the basis of the information obtained and the observations made.

All nonconformities and remarks have to be justified (see Sections 7.3. and 7.4 on nonconformities and remarks).

### **6.6.3. Closing meeting**

A closing meeting is held at the facility once the interviews and verifications have been completed. The purpose is to present the conclusions from the audit, with a focus on nonconformities and remarks. During the closing meeting, the audit team seeks to clarify with the facility staff if there are any misunderstandings or mistakes that might explain the nonconformities and remarks.

#### **Participants**

The head of the facility should attend the closing meeting together with as many staff members as possible of those who were directly involved in the audit. The facility should also have the opportunity to involve other persons from within its larger organization or institution, if applicable.

### **Agenda of the closing meeting**

The following agenda is recommended:

1. Restatement of the purpose of the audit
2. The purpose of the closing meeting
3. Presenting nonconformities and remarks
4. Review of nonconformities and remarks
5. The auditors' feedback to the child welfare facility on positive actions/procedures observed
6. Details of how the results from the audit will be reported
7. Official requirements for the facility's follow-up and deadline for the facility's report on how the audit results have been addressed.

The audit leader presents the nonconformities and remarks and comments upon their significance. The staff members of the facility have the opportunity to comment the presentation by the audit leader. The audit leader makes then any necessary amendments on the basis of the discussions, if and as applicable. Ideally, the audit team and the facility staff should reach an agreement during the closing meeting on nonconformities and remarks and their underlying causes and contributing factors. In exceptional cases, especially when there are issues of legal interpretation that the auditors and facility staff cannot reach an agreement on, the matter will be taken to the higher authority for a decision.

During the closing meetings, the audit team should also note the positive findings revealed by the audit and emphasise that they constitute important achievements. Positive findings are however not part of the written audit report.

At the end of the closing meeting, the audit leader explains the next steps with relevant time frames and deadlines. This includes the preparation of the audit report specifying nonconformities and remarks, and the date by when the report is expected to be finalized. The report will present nonconformities and remarks in line with what has been discussed at the closing meeting, including changes that may have been agreed upon. The monitoring authority will send the report to the facility with an accompanying letter defining the deadlines for the facility to report back on how nonconformities have been addressed and corrected.

## 7. REPORTING

The audit team prepares the report, which summarises the results of the audit. The report should be sent to the facility within two weeks after the audit. Nonconformities and remarks that were not presented at the closing meeting cannot be included in the report.

To ensure quality and uniform reporting, and to enable comparison between different audit reports, a standardised report template has to be used, as outlined hereunder (see also Standard Report).

### 7.1. Introduction

The introduction provides information about the purpose of the audit as well as any specific aspects related to the audit.

- NONCONFORMITIES are deficiencies in fulfilling a requirement laid down by or in pursuance of legislation or regulations.
- REMARKS are aspects not covered by the definition of nonconformity, but where the monitoring authority identifies a potential for improvement based on official requirements.

### 7.2. Background material and documentation

All documents on which the audit is based must be listed here.

### 7.3. Nonconformities

Specification of nonconformities. To be presented in the final report as follows:

**Nonconformity No.:**

**Formulation of nonconformity:**

**Nonconformity in respect of the following official requirement:**

**Comment:** (reference to what the rules require)

**The nonconformity is based on the following:**

#### **7.4. Remarks**

Specification of remarks. To be presented in the final report as follows:

##### **Remark No. 1:**

**The remark is based on the following observations:**

#### **7.5. Other matters**

The following may be entered under this item:

- Status of internal controls
- Changes made since last audit
- Status of follow-up to nonconformities that were previously identified

#### **7.6. Execution of the audit**

A summary of the audit process stating the dates/times of the various activities and a list of the persons interviewed.

Date/time of:

- Audit notification
- Opening meeting
- Interviews and verifications
- Closing meeting

#### **7.7. Appendix**

Appendix 1 contains a list of documents received from the facility that were used during the audit.

Appendix 2 states the names and functions of the participants in the meetings, those interviewed during the audit, as well as participants from the monitoring authority.

## TERMS RELATING TO AUDIT

### **Audit criteria**

Laws and regulations.

### **Audit findings**

Results of the review of the collected **observations** against **audit criteria**.

### **Audit**

A method for **monitoring**.

### **Audit team**

One or more auditors conducting an **audit**.

### **Auditee**

Organization that is being audited.

### **Checklist**

A collection of questions used to gather information relevant to the **audit criteria**.

### **Child welfare facility**

A child welfare facility is a residential care setting where children are placed temporarily or permanently who are deprived of parental care, who are placed for purposes of treatment or who are in conflict with the law and are placed for the purpose of non-custodial measures.

### **Closing meeting**

The meeting where the **audit team** draws the conclusions of the audit.

### **Conformity**

Fulfillment of a requirement.

### **Corrective action**

Action to eliminate a detected nonconformity.

### **Documentation**

A collection of **procedures**, plans, line of delegation etc. that describe how the child welfare facility is run.

**Internal control = Management system**

Internal control refers to all systematic arrangements that the child welfare facility puts in place in order to make sure that activities are planned, organized, carried out and maintained according to the law or other regulations.

**Monitoring authority**

The state authority that holds the official mandate and responsibility for monitoring child welfare facilities.

**Monitoring**

Monitoring refers to the activities of the monitoring authority that aim to ensure that the childcare legislation is implemented.

**Nonconformity**

Non-fulfillment of a requirement in law and/or regulation.

**Observation**

A statement of facts during a system based audit. The facts relate to an assessment of **documents**, interviews and/or verifications that are relevant to the **audit criteria**.

**Opening meeting**

The meeting that starts the audit. The **audit team** explains how the audit will be carried out.

**Operationalization**

The different types of action needed to fulfill the requirements of law and regulations.

**Preventive action**

Action to eliminate the cause of a potential nonconformity or of another undesirable potential situation.

**Procedure**

Specified way to carry out an activity or a process.

**Procedure/Routine**

A specified way to carry out an activity or process.

**Report**

Document that presents and specifies the audit conclusions.

**System based audit**

Systematic assessment to make sure that activities and the correlating results are in accordance with the requirements under the relevant laws or regulations.

**System**

Set of interrelated elements.

**Theme** Area or activity related to laws and regulations, which is the object of the **audit**.