

Final Internal Audit Report

SPECIAL EDUCATIONAL NEEDS

To Include Ombudsman Upheld Complaints

March 2019

Distribution: Executive Director Children Families and Education
 Interim Director of Education and Youth Engagement
 Head of 0 - 25 SEN and Disability
 SEN Business Relations Manager

Assurance Level	Recommendations Made	
Limited Assurance	Priority 1	1
	Priority 2	3
	Priority 3	1

Confidentiality and Disclosure Clause

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Croydon and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

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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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Executive Summary

1. Introduction

- 1.1 Every local authority is responsible for writing a Local Offer and making sure it is available for everyone to see. The Croydon Local Offer gives children and young people with special educational needs or disabilities and their families information about what support services the local authority thinks will be available in their local area.
- 1.2 Croydon has developed a broad continuum of specialist provision to enable the majority of children with special needs to be educated within the local community.
- 1.3 This audit is part of the agreed Internal Audit Plan for 2018/19

2. Key Issues / Rationale

Priority 1 Recommendation

During the last academic year, the percentage of Education and Health Care Plans (EHCPs) completed within the statutory 20 week period was 78%, ranging from 100% in January 2018 to 32% in July 2018. Sample testing also found that 15 of the sample of 20 ECHPs had not met the 16 week target for the issue of draft ECHPs. The Council does not currently monitor the 16 week deadline, **(Issue 2)**.

Priority 2 Recommendations

The procedure notes and process notes available were not dated and did not cover all internal processes, **(Issue 1)**.

Annual reviews of ECHPs did not always occur, with the Council closing 600 open review cases in 2018, **(Issue 3)**.

Despite numerous requests, we were unable to evidence that an appeals / Ombudsman complaints log is maintained by the Council. Furthermore, we were not provided with any information regarding how the outcomes of the appeals are fed back into the assessment process. **(Issue 4)**.

The priority 3 issue is under item 4 below.

3. Actions and Key Findings/Rationale

Control Area 1: Legislative, Operational and Management Requirements		Detailed Finding/Rationale – Issue 1
Priority	Action Proposed by Management	<p>Policies and procedures provide staff with guidance on the process for completing tasks, help ensure they abide by regulations as well as the requirements of the Council and management. These procedures should be regularly reviewed to help ensure these are current.</p> <p>It was confirmed that are various SEN Process documents available (being a mixture of process maps and guidance notes), however examination of these noted:</p> <ul style="list-style-type: none"> • That most were not dated and that there was some repetition / overlap between documents. We were advised that these will be reviewed and updated as the team move to a new system over the next 6 months. • That they did not cover all internal processes, for instance not providing guidance on the processing and approval of requests/referrals, what the approval channels are and levels of authorisation appropriate to each channel, or the monitoring / follow up / escalation processes for overdue responses to referrals, assessments, draft plans and final plans. <p>Where appropriate procedures are not documented and made available to staff, there is a risk of inconsistent and inefficient working practices developing. Errors could also occur where processes are more complex and staff do not have recourse to comprehensive guidance, which could lead to financial loss through inefficient working practices, errors, or wasted resources correcting errors. In addition, there could be reputational damage where legislation is breached or a service user is negatively affected as a result of non-compliance.</p>
2	<p>The 0-25 SEN Team will review all policy and procedure documents and amend where appropriate. This will be carried out in conjunction with the implementation of a new Education Information Database (Synergie).</p>	
Responsible officer	Deadline	
Senior Practitioner EHC / Senior Practitioner EHC Coordinator	Completed by March 2020	

Control Area 3: Education and Health Care Plans	
Priority	Action Proposed by Management
1	<p>Mechanisms will be put in place to monitor the 16 week deadline for issuing the draft EHC Plan. As with the 20 week deadline for issuing the final EHC Plan, adherence to timescales will be incorporated in to the regular one to one sessions with coordinators and managers and will be part of our performance management. This will be reported quarterly.</p>
	<p>Detailed Finding/Rationale – Issue 2</p> <p>The DfE’s SEND Code of Practice (dated January 2015) section 9.53 details that, ‘Where, in the light of an EHC [Education Health and Care] needs assessment, it is necessary for special educational provision to be made in accordance with an EHC plan, the local authority must prepare a plan. The local authority should ensure it allows enough time to prepare the draft plan and complete the remaining steps in the process within the 20 week overall time limit within which it must issue the finalised EHC plan.’ This Code of Practice includes a timeline which shows that draft plans must be issued within 16 weeks.</p> <p>The SEN team uses a spreadsheet to record referrals made during the academic year and measure whether the 20 week timescale set in SEN Code of Conduct is being met. This is also used to complete the annual SEN2 return submitted to the DoE. Examination of the spreadsheet noted that during the last academic year, the average percentage of EHC plans (EHCP’s) completed within 20 weeks was 78%, ranging from 100% in January 2018 to 32% in July 2018.</p> <p>A sample of new EHCPs assessed within the last 12 months was selected for testing. This sample was made up of five EHCPs which had been reported as being completed within the statutory 20 weeks and 14 reported as exceeding the 20 week deadline. Four of the five which had been completed within 20 weeks had also had a draft plan issued within 16 weeks (the fifth was half a week over but started just before the summer holidays). Of the 14 that had exceeded 20 weeks, none had met the 16 week KPI. It was also noted that the Council does not currently monitor the 16 week deadline.</p> <p>Where an EHCP is not completed and issued in the required timeframe, not only is there a breach of regulations, but there is a risk of hardship for the young person and delays in preparing a support plan. Where timescales for issuing draft EHCPs are not monitored by management, there is a risk that delays, bottlenecks or poor performance is not identified and resolved resulting in the 20 week deadline not being achieved.</p>
Responsible officer	Deadline
0-11 SEN Team Leader /	Implement from 01/04/2019
12-25 SEN Team Leader	

Control Area 3: Education and Health Care Plans		Detailed Finding/Rationale – Issue 3
Priority	Action Proposed by Management	
2	<p>EHCP Coordinator Assistants will be responsible for communicating with schools and colleges on a termly basis about the Annual Reviews that are due in the next term. A robust system of monitoring returns from schools and colleges will be implemented.</p> <p>Coordinators will monitor their inboxes daily and prioritise AR paperwork so that actions are implemented within the timescales identified in the SEN code of Practice.</p> <p>We are still in a recruitment schedule to address the backlog and allocation of cases.</p>	<p>The DfE's SEND Code of Practice (dated January 2015) section 9.166 details that, 'EHC plans should be used to actively monitor children and young people's progress towards their outcomes and longer term aspirations. They must be reviewed by the local authority as a minimum every 12 months'. The Code of Practice also details that, 'if the plan needs to be amended, the local authority should start the process of amendment without delay' and that 'the local authority must issue the amended EHC plan as quickly as possible and within 8 weeks of the original amendment notice.'</p> <p>We were informed that the Council provides a list of children and young people who require a review of their EHCP each term to schools (although these reviews have not been monitored in the past). After the plan has been reviewed by the school, it is the Council's responsibility to amend the plan. However we were advised that the Council had such a large backlog of review paperwork, that it was decided to close 600 open review cases in 2018, in order to allow these to appear on the termly list of pupils for schools. The reason for this backlog was cited as a focus on transferring statements to EHCPs rather than reviewing existing EHCPs.</p> <p>It was; however, noted that new roles have been created within the team, which include coordinating and facilitating EHCP annual reviews.</p> <p>Where cases are not reviewed at least annually (or more frequently if needed), there is a risk that any change in circumstances might not be identified in a timely manner and changes made accordingly.</p>
Responsible officer	Deadline	
0-11 SEN Team Leader /	January 2020	
12-25 SEN Team Leader		

Control Area 3: Education and Health Care Plans		Detailed Finding/Rationale – Issue 4
Priority	Action Proposed by Management	
2	<p>A log of complaints and LGO decisions will be implemented and monitored. Actions from the LGO decisions will be reviewed and recommendations will be implemented.</p> <p>This will be incorporated in to the monthly manager meetings so as to address specific issues raised and key themes.</p> <p>Once every two months the themes raised will be reviewed by SEN Managers and lessons learnt will be recorded.</p>	<p>Monitoring and reporting on the results of appeals allows working practices to be amended in order to reduce the chance of further decisions being overturned on appeal.</p> <p>Despite numerous requests, we were unable to evidence that an appeals / Ombudsman complaints log is maintained by the Council. Furthermore, we were not provided with any information regarding how the outcomes of the appeals are fed back into the assessment process.</p> <p>Where the Council does not monitor the results of and reasoning behind decisions made on appeals, there is an increased risk that Council decisions are overturned at an unacceptable level as processes and methodologies are not altered. This could result in increased costs as a result of having to prepare for otherwise preventable appeal hearings. These risks can also lead to reputational damage.</p>
Responsible officer		
SEN Business Relations Manager/ SEN Tribunals Officer	Deadline	
	Start 01/04/2019	

Special Educational Needs 2018/19

4. Priority 3 Issues

Action Proposed by Management	Findings
<p>An audit of training requirements has been undertaken and will be disseminated to the team in due course. A costed CPD plan will be developed by the team by May 2019.</p>	<p>Staff training helps to ensure that team members are kept up to date with changes concerning the EHCP process, legislative updates and software system changes.</p> <p>We were informed that the training schedule for the SEN Team is based on team feedback in team meetings. Where gaps in knowledge are identified the relevant training is sourced and provided. However, no training records are maintained.</p> <p>Failure to provide or document training could result in staff operating in contravention of legislation and guidance, resulting in breaches that lead to sanctions and reputational damage.</p>

TERMS OF REFERENCE

SPECIAL EDUCATIONAL NEEDS

To Include Ombudsman Upheld Complaints

1. INTRODUCTION

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2. OBJECTIVES AND METHOD

- 2.1 The overall audit objective is to provide an objective independent opinion on the adequacy and effectiveness of controls / processes for SEN in the Council.
- 2.2 The audit will for each controls / process being considered:
 - Walkthrough the processes to consider the key controls;
 - Conduct sample testing of the identified key controls, and
 - Report on these accordingly.

3. SCOPE





3.1 This audit included the following areas:

Audit Area	Issues Raised		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Organisational, Management and Legislative Requirements	0	1	1
School SEN Pupil Records	0	0	0
Education and Health Care Plans	1	2	0
School SEN Pupil Funding	0	0	0
Reporting.	0	0	0

DEFINITIONS FOR AUDIT OPINIONS AND RECOMMENDATIONS

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 recommendations 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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