Assurance Services for
the Public Sector

High Needs SEN

City of York Council

Internal Audit Report 2015/16

Business Unit: Children's Services, Education and Skills,
Responsible Officer: Interim Assistant Director, Education and Skills
Service Manager: Head of Disability Services and Special Education Needs
Date Issued: 27 July 2016
Status: Final
Reference: 11120/001

	P1	P2	P3
Actions	0	0	2
Overall Audit Opinion	High Assurance		

Summary and Overall Conclusions

Introduction

From September 2014 a new SEN code of practise was introduced by the Department for Education. The changes mean that children with special educational needs who have a high level of need will start to be issued with an Education, Health and Care Plan. The Education, Health and Care Plan will slowly replace the previous Statements.

The council is also undertaking an Inclusion Review, looking at the way in which provision in the authority is organised and how it serves the needs of the children within the authority.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management that procedures and controls within the system will ensure that:

- SEN Payments made are correct, timely and appropriate.
- Budgets are appropriately monitored
- Suitable and sufficient information is available to aid financial benchmarking and decision making

Key Findings

It was found that payments made for High Needs SEN were correct, and supported by appropriate documentation. Clear information is available to all people including council staff, external institutions, funding recipients and parents to support funding decisions and reviews.

The council is in the process of implementing the national change from Statements to Education, Health and Care Plans. Plans for learners are subject to regular reviews, including their effectiveness and funding level. Some future budgetary pressures are forecast, however the council is currently undertaking an inclusion review looking at the effectiveness of provision across the city. After the results of this the council should be in a position to make informed budgetary decisions.

Information such as the number of recipients and their type of need and funding level is available internally to monitor the provision, but not all provision is benchmarked. Use of benchmarking data could increase understanding about York's provision in comparison with other local authorities'.

Two separate teams are responsible for the administration of High Needs SEN funding depending whether the provision is pre or post maintained education. With the loss of a key member of staff from the post maintained education team it should be considered whether the split is meaningful or whether the two parts of the service could be more closely aligned for better integration and increased resilience.

Overall Conclusions

It was found that the arrangements for managing risk were very good. An effective control environment appears to be in operation. Our overall opinion of the controls within the system at the time of the audit was that they provided High Assurance.

1 Benchmarking

Issue/Control Weakness	Risk
SEN provision is not benchmarked.	The authorities SEN provision may not be comparable to other authorities’ SEN provision. Areas for review may not be identified and highlighted to ensure provision is effectively provided and budgeted for.

Findings

The authority holds a lot of information regarding the High Needs SEN provision, including number of recipients, the banding in which their needs fall and the type of need that they have.

They authority do not however undertake formal benchmarking for all High Needs SEN provision, which may aid in understanding how comparable its provision for SEN is to other authorities' provisions to aid future planning and budget setting.

Agreed Action 1.1

Benchmarking will be undertaken	**Priority**	3
	Responsible Officer	SEN Information & Finance Co-ordinator
	Timescale	April 2017

Agreed Action 1.2

Benchmarking will be undertaken	**Priority**	3
	Responsible Officer	Learning Skills La 16-19 Manager
	Timescale	April 2017

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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