INTERNAL AUDIT REPORT

SPECIAL EDUCATIONAL NEEDS (INCLUDING OUT OF AREA PLACEMENTS)

Lynda Baker – Audit Manager
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EXECUTIVE SUMMARY

1. INTRODUCTION

1.1 Background

Milton Keynes Council provides a Special Educational Needs (SEN) service which makes the appropriate arrangements in order to meet pupil's special needs.

The Casework team leads on the referrals, statutory assessment, placement (local and out of area) and review of pupils with special educational needs. This team also creates statements for pupils, which legally guarantee particular provisions for those children.

The Provision team works to develop the provision available for children with SEN in Milton Keynes including appropriate funding for schools. Schools aim to decrease the dependency of their pupils with SEN and this is monitored annually by the team via the pupil audit.

The Special Educational Needs Code of Practice has been created by the Department for Education and Skills, covering relevant matters from the following regulations:
- The Education Regulations 2001
- The Special Educational Needs Regulations 2001
- The Education Regulations 1999

1.2 Objectives and Scope

The objectives of the audit were to ensure that:
- The service delivers quality support to its clients (Service Delivery).
- Performance is measured within the Service (Performance Measurement).
- Income and expenditure is controlled (Income & Expenditure).

This was a routine audit from the 20005/2006 Audit Plan that includes both Special Educational Needs and out of area placements.

Testing covered all types of schools except for a review of the funding process which only covered special schools.
2. CONCLUSIONS

2.1 The audit findings demonstrate that there is a sound system of control designed to achieve the system objectives with strong controls being applied consistently.

2.2 Great efforts have been made by the SEN department within the last two years and new systems have been implemented to greater improve the level of service provided to schools and individuals. The procedure for funding special schools has been revised to increase effectiveness and a review is now in progress of the mainstream school funding system. Also the SEN team undertook a restructure in the beginning months of 2006. This is hoped to improve efficiency of the teams and procedures, in particular the procedures for making out of area placements for SEN pupils.

2.3 There are three areas that require minor improvements to compliment current systems. Budget monitoring is hampered by unrealistic budgets in subjective codes. The SEN department should build on the progress they have already made by regular checking of pupil audits to identify changes in dependency levels and actioning these findings, and also in reviewing pupils’ statements.

2.4 All ‘Good Internal Controls’ identified are recorded (Section 4) and all ‘Risks and Control Weaknesses’ identified that give rise to a recommendation are summarised in a table (Section 5).
3. WAY FORWARD

3.1 All the recommendations identified are included in the Management Action Plan (Page 6). However, the key recommendations are set out below to provide a summary of those areas where management are required to focus their attention:

3.1.1 Service Delivery - Pupil Audit Results
Schools showing considerably decreased levels of pupil independency in the annual pupil audit should be contacted by the SEN department so the results can be investigated. This can lead to a consideration of the way in which the school is utilising its delegated resources.

3.1.2 Service Delivery - Annual Reviews of Statements
Schools carry out annual reviews of pupils’ statements of special educational need. The SEN Casework Team needs to ensure that copies of these are received from schools so improvement can be monitored and support is fairly provided.
FINDINGS SUMMARY

4. GOOD INTERNAL CONTROLS

The following areas were tested and confirmed as having good internal controls with no problems to report:

**Service Delivery**

4.1 The Casework Team are meeting the Best Value Performance Indicator 43a by issuing proposed statements or notes in lieu within 18 weeks of referral.

4.2 The in-house benchmarking exercise carried out against other authorities indicates that Milton Keynes Council is a forerunning authority for collecting pupil audit information from independent schools.

4.3 This is the first year Milton Keynes Council will send Milton Keynes schools and the Special Educational Needs Disability and Inclusion Service (SENDIS) the results of the pupil audit.

4.4 The Provision team followed the appropriate procedures for making out of area placements for students with SEN.

**Income & Expenditure**

4.5 A new funding formula for Milton Keynes special schools has been created. This is a major improvement from the previous method, as it now takes into account the complexity of individuals' requirements. Funding using this new method will come into place in the financial year 06/07.
### 5. RISKS AND CONTROL WEAKNESSES

| Ref | Theme                  | Findings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Risks (Implications)                                                                                                                                                                                                                                                                                                                                 | Recommendation                                                                                                                                                                                                                          |
|-----|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Service Delivery       | Annual Pupil Audits are used to identify the changes in SEN student dependency levels. This information is used to inform the team's planning for the following financial year. However schools are currently not contacted to discover reasoning for significant decreases in pupil independency and attainment levels from the previous year.                                                                                                               | The team's aim to increase independency of pupils with SEN may not be achieved through all schools.                                                                                                                                                                                                                                                  | Schools with a significant decrease of independency or attainment of SEN pupils should be contacted and reasoning discussed and recorded. Action should then be made to alter support/resources provided by the SEN department.                                                                                       |
| 2   | Service Delivery       | Copies of pupils' SEN annual reviews are not consistently obtained from schools.                                                                                                                                                                                                                                                                                                                                                                                                         | Any changes to pupils' requirements may not be identified.                                                                                                                                                                                                                                                                                                                                                    | Copies of statemented pupils' annual reviews should be consistently obtained from schools so that progress can be monitored. In circumstances where reviews have not been carried out the department should remind schools that it must be done.                                                                 |

NB Any cost implications arising from implementation of the recommendations by HBS must be agreed in advance with the appropriate Client Officer and the Partnership Delivery Manager.
The recommendations are categorised on the following basis:

**Essential** - Implementation is required with immediate effect to address a weakness that fundamentally undermines the control of that system.

**Important** - Implementation is required within a short period of time to address weaknesses that seriously undermine the control of that system.

**Standard** - Management need to take recommended action within a reasonable period to address weaknesses that may undermine system control.

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<tr>
<th>Ref</th>
<th>Recommendation</th>
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<th>Target Date</th>
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<tr>
<td>1</td>
<td><strong>Service Delivery - Pupil Audit Results</strong>&lt;br&gt;Schools with a significant decrease of independency or attainment of SEN pupils should be contacted and reasoning discussed and recorded. Action should then be made to alter support/resources provided by the SEN department.</td>
<td>Important</td>
<td>Agreed. Special Educational Needs &amp; Disability Inclusion (SENDIS) will be monitoring pupil audits.</td>
<td>Senior Education Officer</td>
<td>30/09/2006</td>
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<td>2</td>
<td><strong>Service Delivery - Annual Reviews of Statements</strong>&lt;br&gt;Copies of statemented pupils’ annual reviews should be consistently obtained from schools to store on file. In circumstances where reviews have not been carried out the department should remind schools that it must be done.</td>
<td>Standard</td>
<td>Agreed.</td>
<td>Senior Education Officer</td>
<td>30/06/2006</td>
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