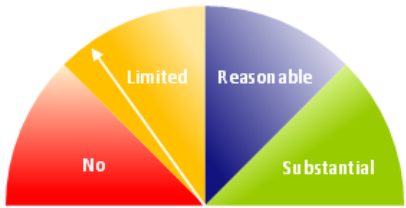


Audit Objective

To review the process for making payments following SEND team decisions for Direct Payments, alternative provisions as part of EOTAS and Ombudsman Compensation.

Executive Summary

	Assurance Opinion	Management Actions	Organisational Risk Assessment	High
	The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.	Priority 1	5	Our audit work includes areas that we consider have a high organisational risk and potential significant impact. Both senior management and the Audit Committee should consider key audit conclusions and resulting outcome.
		Priority 2	2	
		Priority 3	1	
		Total	8	

Audit Scope

The processes reviewed were those in place from April 2023 – June 2024. Processes have changed throughout the period and testing reflected this. Opinions given are based on the current processes at the time of issuing the report.

The audit included a review of the following:

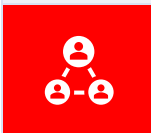
- Process for EHCP decisions and assessment against whole financial picture, including financial considerations for where children should be placed.
- The effectiveness and efficiency of internal systems
- The timeliness of decision making and actions undertaken by relevant departments.
- Interfaces between systems and sharing of information across teams

- Governance of financial decision making and monitoring of spend and performance
- Follow up of SEND Costed Packages to confirm outstanding actions had been completed.

Scope Limitations

Assurance has been provided on the EHCP process from approval onwards only. The process prior to this point will be covered in the Inclusion Financial Management audit in 24/25. Additionally, the timeliness of payments was not assessed because sufficient data was not made available.

Key Conclusions



Vacancies within the SEND team means existing officers are unable to keep up with the workload, and there has been little available time to deliver staff training. The complexity of the EHCP process means it is prone to errors and delays, which again adds to the workload of the team. Cases cannot be tracked throughout the process beyond the EHCP Plan being issued and cases may be lost as information is shared back and forth between teams.



The quality and completeness of work and records is not consistent. Capita, the primary system currently in use, does not support the SEND team in carrying out their roles, and records are stored across multiple other systems. This can add to delays as the council cannot easily track progress and ensure all cases are being followed up. Additionally, there are no reconciliations between different systems where data is held. As a result, the progress of individual cases cannot easily be tracked, and this creates the risk of further delays.



Due to the high workload and lack of time for officers and managers to complete other duties, extensive performance monitoring is not carried out at a team or individual level. A robust performance monitoring process would assist the team in identifying gaps or bottlenecks in the EHCP process.

Additional Audit Commentary

This audit was requested by management due to complaints made by parents about the delays in the EHCP process. The number of children with SEND is increasing and there is pressure on local authorities to put suitable provisions in place. Additionally, external pressures such as high inflation and the cost-of-living crisis have placed further pressure on Somerset Council which is grappling with the financial emergency, downsizing and reorganisation.

The audit identified delays around putting external provisions in place and building timetables that suit all parties where support outside the school setting is required. This work is not completed as part of the EHCP assessment phase and has been a cause of delays following the issuing of an EHCP Plan. When this occurs, parents expect the provision to be provided almost immediately and the delays in organising and approving the costs of this result in complaints, tribunals and compensation payments.

There are vacancies within the team, resulting in a backlog of new requests that are not being processed and an overall lack of timely responses to queries. The backlog keeps growing as there is over 100 EHCP applications received each month. The average finalised plans per month is 35 meaning the backlog is increasing by 65 applications every month. The current processes following EHCPs being finalised are outside of the Capita system so there is no method available to track the time taken to put the provisions in place or ensure they don't get forgotten about. The process is reliant on officers remembering to arrange provisions for Education Other Than At School (EOTAS) and Direct Payments (DP) cohorts, and passing the required information along for approval and payment. The amount of capacity within the team also impacts the officer's ability to deal with queries on payments or complaints in a timely manner which can lead to further complaints.

Based on the work undertaken, we are able to give a Limited assurance opinion however, we note the council has approved recruitment of 10 new officers with a planned start date of September 2024. The new structure of the council is planned to be in place by November 2024, and this should be utilised as an opportunity to redefine roles and make the responsibilities of officers clear. The Audit Findings & Action plan on the following pages contains details of the actions management are proposing to take, which once completed, will lead to improvements in the control environment.

Audit Findings & Management Action Plan

Finding 1.	Actions																								
<p><u>The EHCP process post approval requires enhancement to improve its operational effectiveness.</u></p> <p>System The system currently in use, Capita, does not perform to the standard required. This means that:</p> <ul style="list-style-type: none"> Some parts of the process are having to be done outside of the system; post EHCP approval, all steps to ensure the provision is identified and approved where necessary are outside of Capita and there is no method for tracking these elements. Some records are held outside of the system (e.g. emails on SharePoint). <p>The use of SharePoint is doubling up work for a team which already has a high workload, and having multiple stores for records adds time and confusion (capacity is further discussed in finding three).</p> <p>Process The process is very complex and convoluted:</p> <ul style="list-style-type: none"> There is a lot of cross over between teams and systems, meaning there is opportunity for miscommunication and cases to be lost. Service Director Education also confirmed there are lots of work arounds to mitigate issues with Capita, which adds further steps to the process. They also stated that plans are in place to acquire a new system. <p>In addition, there are several parts of the process which have a single point of vulnerability, for example one person has responsibility to share spreadsheets or pass on information. Alternative officers should be in place to ensure that the process continues smoothly even if an officer is on leave or is sick.</p>	<p>System Plans are in place to acquire a new system. Management will ensure the new system has a workflow functionality and this is utilised following implementation. This will improve the EHCP process and reduce officer workload.</p> <p>In addition, an MS Form is being built to help calculate the costs of provision and transport. This will speed up the process and improve continuity.</p> <table border="1" data-bbox="1120 534 2116 702"> <tr> <td>Priority</td> <td>1</td> <td>SWAP Reference</td> <td>AP#4730</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Service Director Education / Strategic Manager - Head of SEND</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 March 2025</td> </tr> </table> <p>Process The current process requires updating to ensure it supports officers carrying out their roles and is efficient. However, the process of planning and implementing changes will add pressure to an already under resourced team.</p> <p>Look at ways to streamline the process without adding additional work such as automating the PAT/EPRF forms and enhancing the direct payments process.</p> <p>Appoint alternative officers to ensure no responsibilities are missed due to staff leave or sickness.</p> <table border="1" data-bbox="1120 1029 2116 1189"> <tr> <td>Priority</td> <td>1</td> <td>SWAP Reference</td> <td>AP#4562</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Service Director Education / Strategic Manager - Head of SEND</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 December 2024</td> </tr> </table>	Priority	1	SWAP Reference	AP#4730	Responsible Officer	Service Director Education / Strategic Manager - Head of SEND			Timescale	31 March 2025			Priority	1	SWAP Reference	AP#4562	Responsible Officer	Service Director Education / Strategic Manager - Head of SEND			Timescale	31 December 2024		
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Timescale	31 December 2024																								

Finding 2.

Data was not always up to date, complete and accurate.

Records

Sample testing showed that information recorded on the Capita system is sometimes outdated or incorrect:

- Four samples showed that PAT forms were unsigned.
- One sample found the records on Capita were incorrect. It stated the child was both in an independent school and an FE college. This is contradictory and closer inspection showed that the child had never attended an independent school.
- One sample PAT form showed that EOTAS was required, but did not name a provision, what the cost was or who was responsible for paying.
- One sample showed an incorrect amount for the provision as it did not take in to account the ESFA deduction that is applicable to non-maintained special schools and charity lead schools.

It should be noted that, Internal Audit did not access all records, only those held on SharePoint.

Information Sharing

Information is shared between teams in several different ways as there is no standardised process. Information should be available from Capita but due to data quality issues mentioned above this is not always complete or accurate. High Needs Funding team can get information from elsewhere, e.g. previous provisions, consultations with the school, but these may not be up to date. Funding information is shared via a spreadsheet, as the information on funding forms in Capita is not reliable. This is doubling up on work.

Issues with data quality is likely due to a high workload, and pressure to move through cases quickly, leading to incomplete information.

Reducing the workload on SEND officers will ensure that enough time is spent on cases. Using a new system (Finding 1.), implementing updates to the process (Finding 1.) and hiring new officers (Finding 3.) will support this.

Actions

Training

Training and resources should be produced to educate officers on how to accurately complete records, what information should be included, and where to store information. This needs to be in place before new officers start in September 2024.

The implementation of a new MS Form will support continuity and mandatory fields will ensure that all relevant information is included and will help reduce manual errors.

An additional review could be added to ensure all forms are complete and accurate.

Priority	1	SWAP Reference	AP#4563
Responsible Officer	Strategic Manager - Head of SEND		
Timescale	31 August 2024		

Reconciliation of Information

Once the process has been updated, as per Finding 1., a reconciliation should be carried out to ensure that all teams are aware of all cases.

Once the new process is in place, regular reconciliation should be carried out between the new system and Education Otherwise Than At School (EOTAS) / Enham records to ensure that there is oversight of all cases and no information has been lost as it moves between teams. This should be a relatively small task and will not add to officers' workloads. Focus should be on EOTAS and Enham, as if money is not provided for these, then provision will not be provided for the child.

The new process and system should allow for cases progress to be tracked from EHCP sign off to the point that provision is in place and the PO/payment has been made. This will ensure that information is not lost, and cases are not missed as they move between teams.

Priority	2	SWAP Reference	AP#4760
Responsible Officer	Service Manager Statutory SEND		
Timescale	31 March 2025		

Finding 3.	Actions			
<p>There are outstanding vacancies and limited training for new staff.</p> <p>As of June 2024 the SEND team were carrying 10 vacancies. Due to the financial situation of the council, approval for recruiting these positions was not given until the 24-25 financial year. Carrying vacancies increases the workload on individual officers and could in turn increase the likelihood of further staff leaving.</p> <p>High workload leaves little room to deal with additional queries. There are more requests coming in to the team than they can process, creating an ever-growing backlog. Over 100 requests for new EHCPs alone were received in April and May 2024. The average number of plans finalised for this time was 35 a month. This means that the backlog of requests is increasing by 65 a month. On top of this, officers are having to carry out reviews and respond to queries and complaints.</p> <p>As a result of the high workload we also noted the following:</p> <ul style="list-style-type: none"> Managers do not have time to implement training or fully onboard new staff. For example, training on direct payments was scheduled for June but was cancelled due to the high workload. This increases the likelihood of work being done incorrectly. A lack of oversight makes it difficult for managers to hold officers accountable for their work. <p>The council is undergoing recruitment for the Statutory SEND team. More officers are required within the team, ideally with appropriate knowledge and experience. However, the process of recruiting and training new officers is time consuming and will add pressure to existing officers.</p>	<p>Training</p>			
	<p>The induction process for new staff should also be standardised, rigorous, closely monitored, and subject to quality assurance.</p>			
	<p>A standardised training package should be produced for new and existing officers, so that the council is confident that officers can carry out their roles. Training should be specific to the roles of the officers.</p>			
	<p>There should be an agreed approach to performance management and monitoring the flow of work. Training should include this, as well as expectations for officers.</p>			
	<p>Priority</p>	<p>1</p>	<p>SWAP Reference</p>	<p>AP#4735</p>
	<p>Responsible Officer</p>		<p>Strategic Manager - Head of SEND</p>	
	<p>Timescale</p>		<p>31 August 2024</p>	
	<p>Roles and Responsibilities</p>			
	<p>As part of the reorganisation of Children’s / Education restructure to the Children and Family Services Directorate, officers’ roles and responsibilities should be reviewed and redefined, so it is clear where responsibilities lie for tasks, and where the chain of command lies. A RACI matrix (Responsible, Accountable, Consulted, and Informed) could be used to support this. Currently, officers are expected to have a wide range of knowledge to cover all areas, but having dedicated officers that specialise in parts of the process will support a smoother flow of work. A new progression framework could be implemented to support new officers. For example, progression through the roles could reflect the skills and knowledge built up through experience, leading to more confident and experienced officers dealing with more complex cases and processes, like Direct Payments.</p> <p>Ensuring that leadership have capacity to implement changes is vital. A review on the size of the Statutory SEND team should also be undertaken to make sure they have the capacity to deliver the volume of work they receive.</p>			
	<p>Priority</p>	<p>1</p>	<p>SWAP Reference</p>	<p>AP#3879</p>
<p>Responsible Officer</p>		<p>Strategic Manager - Head of SEND</p>		
<p>Timescale</p>		<p>30 November 2024</p>		

<p>Finding 4.</p> <p><u>Lack of performance information available for monitoring team and individual performance</u></p> <p>Three SEND KPIs are reported to members on a quarterly basis. These are the number of EHCP assessment requests, number of EHCPs in place and percentage of assessments meeting the 20-week deadline. There is no reporting on:</p> <ul style="list-style-type: none"> • The performance against the 12-week review timeframe. • Team performance monitoring on where in the process delays occur. • How long after 20 weeks those missing the deadline are taking to be completed. • Time to implement provision for EOTAS after the plans are approved. <p>All of this would be beneficial to management and allow for more targeted review and support on time consuming parts of the process which cause delays and for individuals who may need additional support to improve their performance.</p> <p>From receipt of the application to approval of the plan, key dates are recorded in the Capita system and therefore it should be possible to extract this data and analyse it to identify where to focus resource to improve performance. For implementing approved EOTAS plans, once the plan is approved all the work to get the provisions in place is not recorded in Capita making it harder to monitor the delivery. This increases risks around staff turnover and complaints being raised as there are no central records to show the progress and current position of this work.</p>	<p>Action</p> <p>To liaise with the Business Intelligence team to look at options to extract data from Capita and produce dashboards on Power BI that can be used by the team and management to monitor performance and identify areas for review and support. Dashboards should include time to meet various stages of the process and performance per individual. Dashboards for review performance should also be created.</p> <p>Business intelligence have agreed to get reviews and mediations completed by September.</p>												
	<table border="1"> <tr> <td>Priority</td> <td style="background-color: #FFD700;">2</td> <td>SWAP Reference</td> <td>AP#4446</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Service Manager Statutory SEND</td> </tr> <tr> <td>Timescale</td> <td colspan="3">30 September 2024</td> </tr> </table>	Priority	2	SWAP Reference	AP#4446	Responsible Officer	Service Manager Statutory SEND			Timescale	30 September 2024		
Priority	2	SWAP Reference	AP#4446										
Responsible Officer	Service Manager Statutory SEND												
Timescale	30 September 2024												

Finding 5.	Action												
<p><u>Agreed provisions do not always have appropriate oversight from the Council.</u></p> <p>It has been highlighted that Independent Non-Maintained Schools (INMS) sometimes put provisions in place that have not been approved by the Council. INMS sometimes carry out private assessments and implement provisions based on the results of the assessments. These are not approved by the Council prior to implementation, and the Council are then invoiced. Once an assessment has been completed, it is hard for the Council to push back against these decisions as the onus is then to prove that it is not needed.</p> <p>Oversight of Education Otherwise Than at School (EOTAS), Direct Payments and INMS is reactive rather than proactive and the team are catching up with reviews, rather than staying ahead of them.</p> <p>This will be further covered in the Inclusion Financial Management audit which is currently being undertaken.</p>	<p>Annual reviews are carried out on all individual cases. These should reassess whether a provision is required, and the efficiency of the ongoing provision.</p> <p>As part of the reorganisation work, Education Otherwise Than at School (EOTAS) and Direct Payments packages could be allocated an officer who would be responsible for timely reviews.</p> <p>As mentioned above, the team is struggling due to its high workload. Creating capacity to carry out reviews will help work through the backlog and ensure that reviews are thorough and timely.</p> <p>Where Independent Non-Maintained Schools (INMS) have implemented provisions without Council approval, these should be further reviewed to ensure that they are necessary. This adds time to the review process, as evidence is needed to support whether a provision should be in place and ongoing communication with the school is needed.</p> <p>Tighter contract management is needed for INMS - This will be further covered in the Inclusion Financial Management audit which is currently being undertaken.</p> <table border="1" data-bbox="1099 778 2121 922"> <tr> <td>Priority</td> <td>3</td> <td>SWAP Reference</td> <td>AP#4565</td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Service Manager Statutory SEND</td> </tr> <tr> <td>Timescale</td> <td colspan="3">31 January 2025</td> </tr> </table>	Priority	3	SWAP Reference	AP#4565	Responsible Officer	Service Manager Statutory SEND			Timescale	31 January 2025		
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Responsible Officer	Service Manager Statutory SEND												
Timescale	31 January 2025												