

Item: 3.3

Monitoring and Audit Committee: 9 February 2023.

Internal Audit Report: School Establishment Audit – Rousay Community School.

Report by Chief Internal Auditor.

1. Purpose of Report

To present the internal audit report on administrative procedures and controls within Rousay Community School.

2. Recommendations

The Committee is invited to note:

2.1.

That Internal Audit has undertaken an audit of the administrative procedures and controls within Rousay Community School.

2.2.

The findings contained in the internal audit report, attached as Appendix 1 to this report, relating to administrative procedures and controls within Rousay Community School.

It is recommended:

2.3.

That the Committee review the audit findings to obtain assurance that action has been taken or agreed where necessary.

3. Background

3.1.

Orkney has a school population of approximately 3,000. The Education Service oversees 23 schools in Orkney supporting school staff in providing a quality education experience for all young people, whatever their abilities.

3.2.

Rousay Community School serves the islands of Rousay, Egilsay and Wyre. Pupils are taught in three classes - Preschool, P1-3 and P4-7. The School Roll in 2022/23 was five children in Preschool and 17 in Primary.

3.3.

The objective of this audit was to review the procedures followed within Rousay Community School, including areas such as school administration, financial management, human resource management and security. This review is part of a rolling programme of school audits.

4. Audit Findings

4.1.

The audit provides substantial assurance that there is a robust framework of administrative procedures and controls within Rousay Community School.

4.2.

The Internal Audit report, attached as Appendix 1 to this report, includes two low priority recommendations regarding security of assets and training within the action plan. There are no medium or high level recommendations made as a result of this audit.

4.3.

The Committee is invited to review the audit findings to obtain assurance that action has been taken or agreed where necessary.

5. Corporate Governance

This report relates to the Council complying with governance and scrutiny and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

6. Financial Implications

There are no financial implications associated directly with the recommendations in this report.

7. Legal Aspects

Complying with recommendations made by the internal auditors helps the Council meet its statutory obligations to secure best value.

8. Contact Officers

Andrew Paterson, Chief Internal Auditor, extension 2107, email andrew.paterson@orkney.gov.uk.

Barrie Hamill, Internal Auditor, extension 2182, email barrie.hamill@orkney.gov.uk.

9. Appendix

Appendix 1: Internal Audit Report: Rousay Community School.



Internal Audit

Audit Report

School Establishment Audit – Rousay Community School

Draft issue date: 12 January 2023

Final issue date: 23 January 2023

Distribution list:	Corporate Director for Education, Leisure and Housing Head of Education Service Manager Primary Education Head Teacher
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Audit Opinion

Based on our findings in this review we have given the following audit opinion.

Substantial

The framework of governance, risk management and control were found to be comprehensive and effective.

A key to our audit opinions and level of recommendations is shown at the end of this report.

Executive Summary

This audit reviewed various operational procedures in place at Rousay Community School including school administration, security, financial management and human resource management.

Our review provides substantial assurance that controls are in place and operating well with several areas of good practice evident. For example:

- The school has a comprehensive list of policies and procedures which cover all aspects of school management and are accessible to staff.
- There are robust financial procedures and controls in place over school budgets and the school fund.
- Security controls are strong throughout the school and robust fire procedures are in place.
- There is a detailed and up to date School Handbook containing useful information.

The report includes 2 recommendations which have arisen from the audit. The number and priority of the recommendations are set out in the table below. The priority headings assist management in assessing the significance of the issues raised.

Responsible officers will be required to update progress on the agreed actions via Pentana Risk.

Total	High	Medium	Low
2	0	0	2

The assistance provided by officers contacted during this audit is gratefully acknowledged.

Introduction

Orkney has a school population of approximately 3,000. The Education Service oversees 23 schools in Orkney supporting school staff in providing a quality educational experience for all young people, whatever their abilities. The service is committed to providing an enriching cultural environment for pupils through the expressive arts and instrumental tuition service.

Rousay Community School serves the islands of Rousay, Egilsay and Wyre. Pupils are taught in 3 classes - Preschool, P1-3 and P4-7. The School Roll in 2022/23 was 5 children in Preschool and 17 in Primary.

This review was conducted in conformance with the Public Sector Internal Audit Standards.

Audit Scope

The objective of this audit is to review the procedures followed within Rousay Community School, including areas such as school administration, financial management, human resource management and security. Although the audit shall focus on Rousay Community School, the Education Service can apply the audit findings and any recommendations made to other schools as required.

Audit work will include, but not be limited to, reviewing the procedures in place for:

1. Schools Administration including:

- School meals – free school meals, reconciliation of school meals income.
- Clothing allowances – administration.
- Pupil records – maintenance, absence policy. and monitoring.
- Inventory – all assets, security of assets
- School fund – management.
- Risk assessments – procedures.
- School usage charging policy – out of hours usage.
- Repairs and maintenance – procedures.

2. Security including:

- Security of building.
- Safe – contents and security.
- Key holder arrangements.
- Fire drills – records.

3. Financial procedures including:

- Pupil Equity Funding (PEF) – spending, budget monitoring.
- Petty cash – administration.
- Banking – arrangements and frequency.
- Income – private telephone calls and photocopying.

- Procurement – ordering and payment of goods and services
- DSM budget – allocation and monitoring
- Tuck shop administration

4. Human resources including:

- Staffing arrangements – appropriate level and contracts.
- Supply cover – arrangements.
- Overtime – administration.
- Timesheets – administration.
- Additional paid/unpaid leave.

The audit will also review any changed or new procedures at the school in any of the above areas required because of the COVID 19 pandemic.

Audit Findings

1.0 Security of Assets

- 1.1 The school holds a detailed inventory of assets such as furniture, fixtures and equipment and closely tracks additions and disposals to the inventory. Testing indicated that the inventory was accurate. None of the inventory is marked however to show that the assets are the property of the school. We would encourage the school to mark valuable, moveable and desirable assets with for example, a UV marker pen, to indicate that they are the property of the school.

Recommendation 1

2.0 Training

- 2.1 The Council recognises the importance of training in the development and maintenance of staff knowledge and skills. A series of mandatory courses is delivered through the interactive learning management system OIC ILearn. Our audit found that generally the rate of course completion was good and on time, though one part-time member of staff had not completed their mandatory courses for a number of years. It is important that these courses are completed by all staff.

Recommendation 2

Action Plan

Recommendation	Priority	Management Comments	Responsible Officer	Agreed Completion Date
1. The school should mark valuable, moveable and desirable assets with for example, a UV marker pen, to indicate that they are the property of the school.	Low	Recommendation agreed: A UV marker pen will be purchased, and all items labelled as requested. All labelled items will then be recorded on a spreadsheet.	Headteacher	31 March 2023
2. The school should ensure that mandatory iLearn courses are completed by all staff.	Low	Recommendation agreed: Staff will receive regular reminders to complete courses with deadlines for completion.	Headteacher	31 March 2023

Key to Opinion and Priorities

Audit Opinion

Opinion	Definition
Substantial	The framework of governance, risk management and control were found to be comprehensive and effective.
Adequate	Some improvements are required to enhance the effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or become inadequate and ineffective.
Unsatisfactory	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Recommendations

Priority	Definition	Action Required
High	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.
Medium	Weakness in governance, risk management and control that if unresolved exposes the organisation to a high level of residual risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
Low	Scope for improvement in governance, risk management and control.	Remedial action should be prioritised and undertaken within an agreed timescale.