



Item: 10

Monitoring and Audit Committee: 6 June 2024

School Establishment Audit – Dounby Community School and Nursery

Report by Chief Internal Auditor

1. Overview

- 1.1. The internal audit plan 2023/24 included a review of administrative procedures and controls operating within Dounby Community School and Nursery, this audit has been completed and the internal audit report is attached as Appendix 1 to this report.
- 1.2. Dounby Community School serves the parishes of Harray, Sandwick and Birsay. There is an early learning and childcare setting on the site with Early Learning and Childcare Managers.
- 1.3. The 2022 School Roll recorded on the Scottish Government Parentzone Scotland website shows 131 pupils. The nursery is registered for a maximum of 44 children.
- 1.4. The objective of this audit was to review operational procedures in place at Dounby Community School and Nursery, focusing on administration, security, financial management and human resource management.
- 1.5. The audit provides Substantial assurance over the framework of administrative procedures and controls operating within Dounby Community School and Nursery.
- 1.6. The internal audit report, attached as Appendix 1 to this report, includes two low priority recommendations regarding the school policies and mandatory training. There are no medium or high priority recommendations made as a result of this audit.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
 - i. Scrutinise the findings contained in the internal audit report, attached as Appendix 1 to this report, relating to administrative procedures and controls operating within Dounby Community School and Nursery, in order to obtain assurance that action has been taken or agreed where necessary.

For Further Information please contact:

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Implications of Report

1. **Financial:** None directly related to the recommendations in this report.
2. **Legal:** None directly related to the recommendations in this report.
3. **Corporate Governance:** None.
4. **Human Resources:** None directly related to the recommendations in this report.
5. **Equalities:** None directly related to the recommendations in this report.
6. **Island Communities Impact:** None directly related to the recommendations in this report.
7. **Links to Council Plan:** Not applicable.
8. **Links to Local Outcomes Improvement Plan:** Not applicable.
9. **Environmental and Climate Risk:** None directly related to the recommendations in this report.
10. **Risk:** None directly related to the recommendations in this report.
11. **Procurement:** None directly related to the recommendations in this report.
12. **Health and Safety:** None directly related to the recommendations in this report.
13. **Property and Assets:** None directly related to the recommendations in this report.
14. **Information Technology:** None directly related to the recommendations in this report.
15. **Cost of Living:** None directly related to the recommendations in this report.

List of Background Papers

Internal Audit Plan 2023/24.

Appendix

Appendix 1: Internal Audit Report – Dounby Community School and Nursery



Internal Audit

Audit Report

School Establishment Audit – Dounby Community School and Nursery

Draft issue date: 26 March 2024

Final issue date: 1 May 2024

Distribution list:	Corporate Director (Education, Leisure and Housing) Head of Service (Education) Service Manager (Primary Education) Service Manager (Early Learning and Childcare) Head Teacher Nursery Managers
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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

Dounby Community School and Nursery has experienced various staffing changes in recent years. Despite current staffing pressures, together with newly appointed staff during the period of this audit, there is evidence of resilience and strong, visible leadership which has resulted in effective change.

The objective of this audit was to review operational procedures in place at Dounby Community School and Nursery, focusing on school administration, security, financial management and human resource management.

This audit provides substantial assurance that controls are in place and operating well with several areas of good practice evident, including:

- A detailed recovery/emergency plan which could be used as an example of best practice and shared with other schools.
- A comprehensive set of policies and procedures, including up to date risk assessments.
- Robust financial arrangements are in place to manage the Pupil Equity Fund (PEF), Devolved School Management (DSM) and the School Fund.
- An up to date and detailed inventory of property and ICT equipment, together with meticulous record keeping of key holders.
- Effective working relationships amongst staff with regular meetings and shared communication between the Head Teacher and staff across the school and nursery.

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 two senior secondary schools, three junior high schools, 18 primary schools and 20 early learning and childcare settings. The service supports school and nursery staff in providing an inclusive and quality educational experience for all young people.

Dounby Community School serves the parishes of Harray, Sandwick and Birsay. There is an early learning and childcare setting on the site with Early Learning and Childcare Managers.

At the school, pupils are taught in 6 classes – P1, P2, P3-4, P4-5, P5-6 and P7. The 2022 School Roll recorded on the Scottish Government Parentzone Scotland website shows 131 pupils. The nursery is registered for a maximum of 44 children.

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

Audit Scope

Audit work will include reviewing the procedures in place for:

1. Establishment 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, 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, contracts.
- Supply cover – arrangements.
- Overtime and timesheets – administration.
- Additional paid/unpaid leave.

Audit Findings

1.0 Review of policies and procedures

- 1.1 The school and nursery both have a set of documented procedures relating to all aspects of school and nursery management and operation, in line with statutory guidelines and best practice. However, it was identified that these documents are absent of review dates, for example the nursery's care and welfare policy which includes procedures such as the administration of medicine to children and evacuation procedures.
- 1.2 The school website provides clear and accessible content, using Google drive as a means for parents and families to access key documentation. There is evidence of current documentation including a severe weather policy dated 2023-2024 and recent class activities.
- 1.3 Our findings identified that although there is evidence of the website being regularly updated and checked, it is important to ensure that documents are not out of date.
- 1.4 There is a school handbook, which was found to be dated 2021-2022. Upon further review, there were no details provided in respect of visiting requirements nor information regarding free school meals and clothing allowance in the school.
- 1.5 Policies and procedures should be evident of regular review, including a review of documents on the website and out of date documents removed. An annual review of the school handbook should also be carried out and updated as required with a section added to inform parents of the free school meals and clothing allowance, together with a link to the OIC policy and application. The school handbook should also include a section on visitor requirements.

Recommendation 1

2.0 Staff Training

- 2.1 All staff are required to complete mandatory iLearn training on GDPR and information security. Where training is overdue, a notification is emailed to line managers.
- 2.2 This audit identified that not all staff had completed mandatory training, specifically training in respect of information security and GDPR.
- 2.3 All staff indicated as overdue should undertake the GDPR and information security iLearn as soon as possible. Managers should remind staff members who are overdue to complete these as a priority.

Recommendation 2

3.0 Petty Cash

- 3.1 School petty cash records were reviewed during the school visit with an accurate total in the cash box, together with a record log of all incoming and outgoing expenditure.
- 3.2 The nursery petty cash box held a total of £150 float. Most of the petty cash is made up of parents' contribution and there is a record sheet detailing income from the parents. However,

there was no formal record keeping of outgoing expenditure nor evidence of the petty cash being reconciled regularly.

- 3.3 Following the school visit, the nursery manager has confirmed a record book is now in place, using the same format and process as the school office and evidence was provided to confirm this.

No recommendation

Action Plan

Recommendation	Priority	Management Comments	Responsible Officer	Agreed Completion Date
<p>1 Policies and procedures should be evident of regular review, including a review of documents on the website and out of date documents removed. An annual review of the school handbook should also be carried out and updated as required with a section added to inform parents of the free school meals and clothing allowance, together with a link to the Council policy and application. The school handbook should also include a section on visitor requirements.</p>	Low	Agreed	Head Teacher	Complete
<p>2 All staff indicated as overdue should undertake the GDPR and information security iLearn as soon as possible. Managers should remind staff members who are overdue to complete these as a priority.</p>	Low	Managers will ensure overdue iLearn courses are completed.	Head Teacher	31 October 2024

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 significant 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.