



Item: 8

Monitoring and Audit Committee: 14 November 2024

Internal Audit – Glaitness Primary School and Nursery

Report by Chief Internal Auditor

1. Overview

- 1.1. The internal audit plan 2024/25 included a review of administrative procedures and controls operating within Glaitness Primary School and Nursery. This audit has been completed and the internal audit report is attached as Appendix 1 to this report.
- 1.2. Glaitness Primary School and Nursery is located in Kirkwall and offers provision for children aged 2 to 12 who live in the north-west sector of the town and the adjacent area. There is also provision of additional support for pupils from any area in Orkney whose needs cannot be fully met within their own local school.
- 1.3. The school roll is currently 216 and the nursery roll is 57.
- 1.4. The objective of this audit was to review operational procedures in place at Glaitness 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 Glaitness School and Nursery.
- 1.6. The internal audit report, attached as Appendix 1 to this report, includes 3 low priority recommendations regarding policy review procedures, asset management 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 Glaitness 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:** In terms of the Scheme of Administration, consideration of Internal Audit findings and recommendations and to review actions taken on recommendations made, is a referred function of the Monitoring and Audit Committee.
- 4. Human Resources:** None directly related to the recommendations in this report.
- 5. Equalities:** An Equality Impact Assessment is not required in respect of Internal Audit Reporting.
- 6. Island Communities Impact:** An Island Communities Impact Assessment is not required in respect of Internal Audit Reporting.
- 7. Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - Growing our economy.
 - Strengthening our Communities.
 - Developing our Infrastructure.
 - Transforming our Council.
- 8. Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
 - Cost of Living.
 - Sustainable Development.
 - Local Equality.
- 9. Environmental and Climate Risk:** None directly related to the recommendations in this report.
- 10. Risk:** Internal Audit evaluates the effectiveness and contributes to the improvement of the risk management processes.
- 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 2024/25.

Appendix

Appendix 1: Internal Audit Report – Glaitness School and Nursery.



Internal Audit

Audit Report

School Establishment Audit- Glaitness Primary School and Nursery

Draft issue date: 19 September 2024

Final issue date: 31 October 2024

Distribution list:	Corporate Director for Education, Leisure and Housing Head of Education Service Manager Primary Education Service Manager Early Learning and Childcare Operational Manager Early Learning and Childcare Head Teacher Business Manager Early Learning and Childcare Manager Senior Duty Officer, Leisure and Culture
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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

Glaitness Primary School and the adjacent manager-led Nursery provides care, support and learning experiences to nearly 300 children. Like many schools and settings in Orkney, there have been changes to staffing within both the school and nursery over the period of the audit but there is evidence that this is well managed.

Through good communication, clear roles and responsibilities set out for the staff team as well as clear procedures, the school and nursery can ensure a safe and healthy environment that prioritises the well-being of students and staff.

The objective of this audit was to review operational procedures in place at Glaitness Primary 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 system of review in place at the school and nursery to support maintenance of a comprehensive list of policies, procedures and risk assessments.
- Secure arrangements for the storage of pupil records and an archiving system in place which follows the Council's retention policy.
- Robust procedures in place for recording and monitoring pupil absences.
- Administration of the School Fund is well managed, reconciliation is undertaken regularly and expenses are authorised.
- A comprehensive staff induction programme for all new staff supports the smooth running of the school.
- Detailed fire and emergency evacuation plans are in place, these are tested regularly, well communicated to staff with roles and responsibilities made clear.
- There is a school system for recording supply cover and for tracking staff absence actions undertaken on MyView to ensure these are completed.

The report includes three 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 the Ideagen Risk Management system.

Total	High	Medium	Low
3	0	0	3

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.

Glaitness Primary School and Nursery is located in Kirkwall and offers provision for children aged 2 to 12 who live in the north-west sector of the town and the adjacent area. There is also provision of additional support for pupils from any area in Orkney whose needs cannot be fully met within their own local school. There are 8 mainstream classes with 5 supported classes located in close proximity to the peer age mainstream class as well as a nursery. The school roll is currently 216 and the nursery roll is 57.

The school is led by a Senior Leadership Team comprising a Head Teacher, Depute Head Teacher, Business Manager and two Principal Teachers and the nursery is led by an Early Learning and Childcare Manager, Senior Practitioner and two Lead Practitioners.

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

Audit Scope

Audit work focussed on:

1. School administration including:
 - Pupil records – maintenance, absence policy and monitoring.
 - Inventory – all assets, security of assets including IT equipment.
 - School Fund – management.
 - Risk assessments – procedures.
 - Repairs and maintenance – procedures.
 - First Aid Arrangements – training, equipment, administration of medication.
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.
- Procurement – ordering and payment of goods and services.
- Devolved School Management (DSM) budget – monitoring.

4. Human resources including:

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

Audit Findings

1.0 Policies and Procedures

- 1.1 Approved and documented procedures relating to all aspects of school management and operation, prepared in accordance with statutory and best practice guidelines, that are accessible to all staff and regularly reviewed, help towards defining clear expectations, ensuring values are applied consistently and providing a framework to support staff, pupils and families alike. There are Council policies as well as school-specific procedures in place at Glaitness School and Nursery.
- 1.2 Some school policies related to Health and Safety are displayed on a Health and Safety notice board in the staff room. Policies are also emailed to all staff.
- 1.3 In addition, for new staff there is a comprehensive staff induction procedure in place to ensure that essential information is communicated to enable the smooth operation of the school. A checklist is in place to support the completion of each induction.
- 1.4 A system of review in place supports maintenance of the school policies and procedures as well as risk assessments.
- 1.5 The Nursery policies are held in a folder which is accessible to staff along with HR policies held electronically. Policies contain a version control box and a system of review is in place through the Quality Assurance Calendar and Audit Tool which is used to ensure the review of key documents related to the running of the Nursery and care of the children.
- 1.6 As part of the policies and procedures in place, a business continuity plan has been developed in collaboration between the school and nursery which details critical functions that support the delivery of education and the arrangements in place should these functions be adversely affected.
- 1.7 When reviewing a sample of risk assessments from the school, we found all had been updated within the last year and reviewed or completed by a suitably trained member of staff. One risk assessment is in the process of being reviewed with support from a member of staff within the leisure team as it relates to the Hydrotherapy pool used at the school.
- 1.8 All risk assessments reviewed at the Nursery had been updated recently and are included in the system of review to continually update.

- 1.9 Some policies are uploaded to the website for parents to view along with the handbook for the school and the nursery handbook.
- 1.10 The school website is informative and contains several policies and links to the OIC website for more information. There are also links provided to useful websites for parents and carers to access such as local sport clubs and organisations that support staying safe online.
- 1.11 When reviewing policies and procedures and the content within the website, although most of the policies have been recently updated, there are a few documents that require updating and the link for the OIC free school meals and clothing allowance information, privacy notice and OIC School Emergency Closures page are no longer working. We understand that some policies, the school handbook and nursery handbook are in the process of being updated already and the OIC website has recently been updated, meaning that links will need to be changed as a result.
- 1.12 An annual review of website content should be undertaken to ensure that policies and information being shared are up to date as part of the wider system of review already in place at the school. Any policies, procedures or risk assessments that require updating should be reviewed as soon as possible.

Recommendation 1

2.0 Document Retention

- 2.1 The Council plans to manage its recorded information in a cost effective, efficient and sustainable way that complies with statutory duties. There is a Council Retention and Disposal Schedule in place which was updated in November 2023.
- 2.2 Pupil records in the school and nursery are held in secure locked cabinets. Where they are held electronically, this is also secure.
- 2.3 Documents are securely transferred when a pupil moves up to primary school/secondary school.
- 2.4 An archiving system in place ensures that the Council Retention and Disposal Schedule is followed. Documents are labelled with a date along with a date of destruction at the end of the retention period when they are due to be securely destroyed.

No Recommendation

3.0 Monitoring and Tracking Attendance

- 3.1 The Council has an agreed policy that provides guidance for monitoring and tracking attendance in schools to support good attendance and to detail what actions can be taken if attendance is or becomes a cause for concern.
- 3.2 This policy is followed at the school with attendance being recorded by teaching and nursery staff digitally. School attendance is added to SEEMIS (Education Management Information System). There are clear procedures and systems of communication in place for the office team to follow which ensures close monitoring.
- 3.3 In the school, the senior management team monitor SEEMIS reports on a monthly basis to detect any increase or pattern of absences requiring intervention. Follow-up is undertaken as required in line with the policy. Close monitoring also takes place outwith the monthly meetings where necessary.

- 3.4 Attendance at nursery is not mandatory however there are procedures in place to deal with unexpected absences. The Nursery Manager contacts parents or carers when there is an unexplained absence to seek a reason for the absence. Follow-up is undertaken if required.

No Recommendation

4.0 Asset Management

- 4.1 Section 20.1.5 of the Financial Regulations (2024) states that inventory evidence to be recorded by dated photo should include office equipment, furnishings, plant and machinery and any other valuable property. For insurance purposes, items worth over £5000 must be recorded and passed on to the Insurance Officer and should include the purchase price or cost exc. VAT along with the estimated reinstatement or replacement value.
- 4.2 There is a Glaitness School inventory that assigns asset numbers to items and details valuable property held including IT equipment.
- 4.3 A photo inventory of rooms has been created alongside and this will be updated in October 2024. The Nursery also use photos of rooms as an inventory of equipment.
- 4.4 Through examination of a sample of valuable, moveable property within the school, it was found that a number of items were not marked as property of the Council such as guitars, amplifiers, keyboards and small cameras. Valuable, desirable and moveable property in the nursery is not marked as property of the Council.
- 4.5 A review of moveable, valuable and desirable property should be undertaken in the school and nursery and any that require to be marked as property of the Council should be marked with a UV pen wherever practical.

Recommendation 2

5.0 ICT Asset Management

- 5.1 School and Nursery staff IT equipment is held securely and only accessed by appropriate personnel and there are items of IT equipment such as laptops and iPads that are for the use of the pupils. All electronic files are backed up.
- 5.2 There is an IT asset register kept which records the Council asset number, the Glaitness School asset number, make and model, serial number, estimated cost, date received and notes regarding state of repair or disposal (if applicable). Some items include locations or the name of the person to whom the equipment has been allocated.
- 5.3 We were able to locate the majority of items in our IT inventory sample however there were five items that were difficult to locate as they did not have the location detail cited on the inventory.
- 5.4 The Business Manager demonstrated the process for recording all incoming IT equipment which includes the details of the person who has the equipment allocated to them or a location so it can be tracked. No recommendation is being made here as the process going forward will ensure location and employee name is recorded. However, we would suggest columns are added to the inventory to support this.

No Recommendation

6.0 Mandatory Training

- 6.1 All Council staff are required to complete mandatory training on iLearn and to refresh their learning periodically as required.
- 6.2 Records show that there are 20 members of staff at the school and nursery with outstanding iLearn courses to complete.
- 6.3 All staff indicated as overdue should undertake the mandatory iLearn training as soon as possible. Managers should remind staff members who are overdue to complete these as a priority.

Recommendation 3

7.0 Financial Management

- 7.1 The school fund is in the name of the school and there are procedures in place for its administration. The accounts associated with the school fund are audited yearly by a person with financial experience who is not directly connected to the school.
- 7.2 There are records in place recording income and expenditure as well as a separate record of income for school trips. This is kept up to date by a member of staff in the office team who performs a monthly reconciliation which is checked and initialled by the Business Manager.
- 7.3 Expenditure forms are used to authorise any expenditure from school funds and this is signed by a member of senior management. Transactions are monitored and traced to receipts kept.
- 7.4 Banking is undertaken when required with five pay-ins recorded in the pay-in book over the audit period. Most of the income is now received electronically.
- 7.5 Petty cash is stored securely and recorded on a spreadsheet by the office team. This is reviewed regularly by the Business Manager.
- 7.6 The contents of the safe do not exceed insurance limits and access is restricted.
- 7.7 There are procedures in place for the spending and monitoring of Pupil Equity Funding (PEF) with a plan developed for spending in 2024-25.
- 7.8 The Purchase to Pay (P2P) system is used to raise purchase orders, authorise purchases, create goods received notes and pay invoices from the devolved school management (DSM) budget.
- 7.9 There is monitoring of the DSM budget and any variations are reported on. There was an overspend of £33,849.86 in March 2024 due to increased property costs involving energy prices.

No Recommendation

8.0 Maintenance Requirements

- 8.1 Repairs and maintenance requirements are reported to the school's janitors who log these on Concerto (Council's Property Asset Management Software).

- 8.2 On examining Concerto records, maintenance and repair requirements are regularly reported as needed.

No Recommendation

9.0 Use of Council Vehicles

- 9.1 There are two minibuses and an electric people carrier for use by the school.
- 9.2 There is a Council Driving at Work Policy and Handbook which states that as part of the authorisation process, the employee must provide original documentary evidence which will be examined.
- 9.3 We observed vehicle documentation as well as the logbooks used to note mileage travelled and the person driving the vehicle. Logbooks were completed daily.
- 9.4 On a yearly basis, the office team update driver information on a spreadsheet as part of an annual driving at work audit. This confirms that all relevant driver documentation has been checked.

No Recommendation

10.0 First Aid Arrangements

- 10.1 There are several people trained in First Aid at the school and nursery and their names are displayed for information.
- 10.2 Training records are held along with training expiry dates so that these can be kept up-to-date.
- 10.3 First aid kits are regularly checked and replenished. In the school, there is a list of what a kit should contain displayed in the medical room. There are plans to implement a recorded regular check of first aid kits.
- 10.4 In the nursery, the checking of first aid kits is part of a weekly task list for Early Years Support Workers.

No Recommendation

11.0 Accident and Incident Reporting

- 11.1 The school and nursery have procedures in place for reporting accidents and incidents.
- 11.2 Accidents are recorded promptly and information is passed on to parents.
- 11.3 More serious incidents and adverse events are recorded and passed on to the Education Service and/or the Safety and Resilience Team depending on the nature of the incident. These records are also used for reflection and for identifying any measures that can be put in place to reduce the likelihood of a recurrence.

No Recommendation

12.0 Administration of Medication

- 12.1 Administration of Medication procedures were developed for all Schools and Nurseries in Orkney and updated in 2020 following Scottish Government and Care Inspectorate guidance.
- 12.2 On examining the policy on administering medication held on the school's website, we discovered that it was the previous version from July 2019.
- 12.3 Although the school has procedures in place for the administration of medication and many elements of good practice are followed, due to using the previous version of the policy, some of the templates are not being used such as the medication audit. The nursery is following the current policy.
- 12.4 In both the school and nursery, medication is stored securely and there are record cards used to obtain parental consent as well as to record the information required for safe administration.
- 12.5 Healthcare plans are in place as required for children with long term medical conditions in the nursery. In the school, healthcare plans are in place for children with complex medical needs as well as for children with asthma.
- 12.6 There is a medication fridge available in the school's medical room for storage of the children's medication if required. The temperature is not currently monitored.
- 12.7 A review of administration of medication procedures for the school will be undertaken against the current policy as part of the review of website policies and procedures.

See Recommendation 1

13.0 Security

- 13.1 Access to the school and nursery is restricted. There is access to the main entrance with a keypad code which is changed regularly. Otherwise, the access doors to gain entry to the school and nursery from the playground are via magnetic locks.
- 13.2 Internally, the door which connects the school to the Hydrotherapy pool and NHS-operated Peedie Sea Children's Centre is secured with a keypad lock.
- 13.3 Visitors to the school and nursery are asked to sign-in and are provided with a visitors' badge.
- 13.4 The office is occupied during school hours.
- 13.5 There is a staff key-holders list which is up-to-date and is updated on a yearly basis or when required and there is a process for securing the building each day.

No Recommendation

14.0 Fire Safety

- 14.1 The Glaitness School Fire Arrangements were updated in July 2024. The purpose of the arrangements is to ensure compliance with Part 3 of the Fire (Scotland) Act 2005, the Fire Safety (Scotland) Regulations 2006 and all other applicable fire safety legislation, standards and guidance.

- 14.2 The fire management arrangements are comprehensive with fire evacuation procedures clearly displayed throughout the premises.
- 14.3 Sprinklers, smoke alarms and fire extinguishers are located throughout the school and these are tested and regularly maintained. Fire safety doors are fitted throughout and fire escape doors and routes are clearly sign posted.
- 14.4 The fire arrangements encompass daily, weekly and monthly fire safety checks to be carried out and are clear about staff roles and responsibilities in case of a fire.
- 14.5 Fire evacuation procedures are tested termly and logged. An observation sheet is completed and signed by a senior member of staff to verify that the drill has been completed.
- 14.6 A roll call sheet has been developed to enable quick verification that everyone has left the building in the event of a fire. Radios are used to communicate between assembly points.

No Recommendations

15.0 Hydrotherapy Pool

- 15.1 Glaitness School benefits from having a Hydrotherapy Pool. This is a heated pool specifically designed for therapeutic purposes and is used by pupils at the school as well as others as set out in the policy.
- 15.2 There is an operating policy in place to ensure the safe management of the pool which is in the process of being updated by the Senior Duty Officer who is part of the Sport and Leisure Team along with the risk assessment. As there is already a recommendation around the review of policies and procedures, and the update is underway, no separate recommendation is being made here.
- 15.3 Records regarding the maintenance of the pool were reviewed against the policy to ensure that all checks required are undertaken. Checklists support the recording and monitoring of checks by school staff.
- 15.4 Water samples from the pool are sent to Scottish Water for testing on a monthly basis. The school staff will collect samples which are taken to Scottish Water. Results are sent to the Senior Duty Officer responsible.

See Recommendation 1

16.0 Management of Staff

- 16.1 Staffing arrangements for the school are determined and administered following a staffing establishment meeting with the Head Teacher and the Service Manager (Primary Education). Staffing allocations are determined by the number of children in the school as well as identified need for support.
- 16.2 Nursery staffing is determined following a staffing establishment meeting with the Nursery Manager and Service Manager (Early Learning and Childcare). Staffing is regulated by the Care Inspectorate and there are minimum ratio requirements which determine the level of staffing required as well as the needs of the children.
- 16.3 A sample of 15 contract changes were reviewed covering the period of the audit and these were all notified timeously to payroll.

- 16.4 A sample of 8 timesheets were reviewed to check for accuracy and for compliance with payroll deadlines. 6 of 8 timesheets were not completed accurately and 2 of 8 were not submitted on time. No recommendation is being made as this has been highlighted in previous audits with action having been taken by the Education Resources Team to update guidance for schools and send this out to all responsible for authorising timesheets. The timesheets sampled were from the period prior to the new guidance being issued.
- 16.5 There is a system for managing supply staff at the school. The system includes recording details of the staff who are absent, supply required, who covered, and the hours worked. There is also a checklist in place to support manager actions on MyView in the case of staff absence. Supply staff are recruited using the supply list.
- 16.6 There were not many claims made for mileage, travel and subsistence however all were reviewed and were submitted, authorised and paid through Integra.
- 16.7 All unpaid leave requests were appropriately authorised using the leave of absence procedure.
- 16.8 There is an authorised establishment for the school and nursery and this was checked against payroll records. Due to coding errors, there were some payments made to two staff members not employed at the school and nursery but within other education establishments in Orkney.
- 16.9 The error in payment from the Nursery cost centre was identified by the manager and reported at the time. The error involving the school was a one-off payment relating to the pay grade restructure.
- 16.10 The procedures for the completion of payroll forms were reviewed and there are management checks in place to ensure the correct details are recorded. No recommendation is being made and testing will continue through future audits.

No Recommendation

Action Plan

Recommendation	Priority	Management Comments	Responsible Officer	Agreed Completion Date
<p>1 An annual review of website content should be undertaken to ensure that policies and information being shared are up-to-date as part of the wider system of review already in place at the school. Any policies, procedures or risk assessments that require updating should be reviewed as soon as possible.</p>	Low	<p>The website will be reviewed annually at same time as updating of policies, procedures and risk assessments.</p> <p>Website content will be monitored and updated as required.</p>	Business Manager	31 August 2025
<p>2 A review of moveable, valuable and desirable property should be undertaken and any requiring to be marked as property of the Council should be marked with a UV pen wherever practical.</p>	Low	<p>Review will be undertaken, and items suitably marked.</p>	Business Manager	31 March 2025
<p>3 All staff indicated as overdue should undertake the mandatory iLearn training as soon as possible. Managers should remind staff members who are overdue to complete these as a priority.</p>	Low	<p>Monthly monitoring and reminders will be issued.</p>	<p>Head Teacher Depute Head Teacher Business Manager Nursery Manager</p>	<p>On-going every month.</p>

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.