

# ARGYLL & BUTE COUNCIL

## Internal Audit Section

### INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	COMMUNITY SERVICES
AUDIT DESCRIPTION	RISK BASED AUDIT
AUDIT TITLE	ADULT LEARNING
AUDIT DATE	APRIL 2015

2014/2015



## 1. BACKGROUND

This report has been prepared as a result of the Internal Audit review of Community Based Adult Learning within Community Services as part of the 2014/2015 Internal Audit programme.

Adult learning is a key element in Scotland's approach to post 16 Education. The adult learning team provides a wide range of high quality lifelong learning opportunities in our communities. The overall aim is to increase participants' skills and capacity to contribute to their family and community lives, access training and employment, and realise their personal, social and economic potential

The Service outcomes (Guidelines for Community-Based Adult Learning Provision 2014-15) are:

- Partnership working contributes to effective delivery of a wide range of high-quality learning opportunities for adults, including promotion, guidance and support;
- Adults progress in recorded, accredited and non-accredited learning that is appropriate to their needs;
- Issues of exclusion, inequality and disadvantage are addressed through lifelong literacies and ESOL provision, and through other targeted learning opportunities aimed at vulnerable and excluded adults;
- Adults are better equipped to access work and training through a range of employability-related learning opportunities;
- Adults have improved resilience and capacity to play an active part in their family and community lives through a range of personal development and health-related learning opportunities.

The Adult Learning Budget for 14/15 is approximately £630k employing 16.12 Full time equivalent staff.

## **2. AUDIT SCOPE AND OBJECTIVES**

The scope and objective of the audit were limited to:

- Review of established policies and procedures to assess compliance with relevant regulation, best practice and organisational requirements and objectives.
- Policy and procedures have been communicated and are readily available to employees, stakeholders and partners.
- Review monitoring and reporting protocols.

## **3. RISKS CONSIDERED**

Operational Risk Register (ORR)

ORR: Failure to ensure our Adults are supported to access 'first steps' learning opportunities and progression, including literacies and basic ICT, through which they gain skills and confidence to participate fully in their work, family, community and social lives

Resources not aligned to service requirement

Inadequate Monitoring and reporting arrangements

- Non-compliance with legislation
- Non-compliance with operational policy
- Lack of awareness of processes and requirements
- Adverse publicity
- Adverse stakeholder reactions, comments and complaints

#### 4. AUDIT OPINION

The level of assurance given for this report is substantial.

Level of Assurance	Reason for the level of Assurance given
<b>High</b>	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with.
<b>Substantial</b>	Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
<b>Limited</b>	Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues.
<b>Very Limited</b>	Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues.

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

<p><b>High</b> - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;</p>
<p><b>Medium</b> - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;</p>
<p><b>Low</b> - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.</p>

## 5. FINDINGS

The following findings were generated by the audit:

- 5.1 It was evidenced that HM Inspectors (HMIE) carry out inspections of Community Based Learning (CLD), as part of school inspections to evaluate the outcomes and impacts of the activities in local areas. These inspections focus on the work in the communities and their partners in the voluntary sector and in other public bodies. HMIE carried out inspections in March 2014 (Tobermory) and September 2014 (Oban).
- 5.2 Performance is assessed across a number of areas and the results of the recent inspections in Oban and Tobermory are shown below:

Oban

Improvements in Performance	Satisfactory
Impact on participants	Good
Impact on the local community	Very Good
Improving services	Good

Tobermory

Improvements in performance	Good
Impact on participants	Good
Impact on the local community	Excellent
Improving Services	Satisfactory

- 5.3 Where appropriate we have placed reliance on the recent external inspection process.
- 5.4 In Oban it was noted that partners are delivering a wide range of learning opportunities which are improving wellbeing and contributing to increasing life chances. It was also found that partners work well together to increase employability for young people and adults and address the needs of those affected by welfare changes. Strong informal networks between a wide range of partners in the learning community enable partners to regularly share information and have a good knowledge of

each other's provision. Partners are in the early stages of developing more formal, local structures through which they aim to support the systematic improvement of the quality of services and provision. Areas for improvement were identified as:

- Identify priorities for the Oban High School learning community based on shared evaluations and data analysis.
- Work together to improve progression routes and accreditation opportunities for learners.
- Jointly plan and evaluate to improve outcomes

5.5 In Tobermory it was evidenced that partners work well together and contribute to improving learning and wellbeing and increasing life chances. Local voluntary organisations and social enterprises make a particularly strong contribution to sustainable economic development, securing jobs and services. It was evidenced that whilst organisations work well together and share information at an informal level, self-evaluation and planning for improvement amongst learning community partners is incomplete and disjointed and that CLD staff do not consistently set clear outcomes or targets for important aspects of work to enable sufficient measurement of progress. Important areas of work are not informed by a clear partnership plan. It was evidenced that Partners do not have a clear awareness of their collective local progress against the Argyll and Bute Single Outcome Agreement (SOA). Inspectors were satisfied with the overall quality of provision. Areas for improvement in were:

- Establish a more systematic approach to partnership planning and evaluation.
- Improve opportunities for accreditation and reporting of achievement.

5.6 Adult Learning services contribute to the duty laid on the Local Authorities to submit a 3-yearly Plan that secures the delivery of community learning in the area, under the requirements for Community Learning and Development (Scotland) Regulations, 2013. It was evidenced that Argyll & Bute Council is currently working with partner agencies to ensure compliance with the regulatory requirement to publish the 3 year plan by 1st September 2015. Argyll & Bute have developed, along with East and West Dunbartonshire Councils, a web-based format for the Plan, that, when completed, will address requirements.

5.7 It was evidenced that Community Based Adult Learning has shared and considered the findings in the HMIE Reports at partnership meetings. It was further found that consideration has been given to incorporating the recommended improvements into the CLD Plan to be completed and issued in September 2015.

5.8 There is a requirement that the views of learners and communities must be sought and taken into account. It was evidenced that the CLD 'Actions Prioritisation Table' identifies these views which are gathered from various sources, including HMIE

Reports and community consultation.

- 5.9 It was evidenced that Adult Learning Services regularly attend partnership meetings and work alongside partners to provide Community Based Learning and to develop the CLD Plan. However, it was noted that the partnership arrangements are informal.
- 5.10 It was evidenced that Community Based Adult Learning activity has clear links with National Outcomes, Argyll and Bute's Single Outcome Agreement, and the Council's Corporate Plan.
- 5.11 It was evidenced that Community Learning and Development service use a management information system that records learner information and collates statistical data which informs Pyramid (Argyll and Bute Council's performance management system).
- 5.12 It was evidenced that monitoring and reporting protocols are in place with the use of user survey questionnaires, regular service management team reporting and regular partnership review meetings.
- 5.13 It was noted that an increasing number of referrals to access CLD services are coming from Job Centre Plus which has led to resourcing pressures within Community Based Learning.

## **6. CONCLUSION**

This audit has provided a substantial level of assurance. There were a number of recommendations for improvement identified as part of the audit and these are set out in Appendix 1. There were 3 medium recommendations set out in Appendix 1 which will be reported to the Audit Committee. Appendices 1 sets out the action management have agreed to take as a result of the recommendations, the persons responsible for the action and the target date for completion of the action. Progress with implementation of actions will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to the Community Based Adult Learning staff and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

**APPENDIX 1 ACTION PLAN**

Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
<b>1. Partnership Arrangements</b>		<b>High/ Medium or Low</b>		
It was evidenced that the partnership arrangements are informal.	Lack of clearly defined roles and responsibilities leading to ineffective working	Medium	<b>Develop formal partnership arrangements</b>	<b>Community Learning Manager 30 September 2015</b>
<b>2. Referrals</b>		<b>High/ Medium or Low</b>		
It was noted that an increasing number of referrals to access Adult Learning services are coming from Job Centre Plus which has led to resourcing pressures within Community Based Learning.	Council has inadequate arrangements in place to deal with the increasing number of referrals	Medium	<b>Monitor and report the number of referrals coming from Job Centre Plus and any associated resource pressure</b>	<b>Community Learning Manager 30 September 2015</b>



Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
<b>3. HMIE Areas of Improvement</b>		<b>High/ Medium or Low</b>		
Although it was evidenced that discussions had taken place in respect of actioning the findings an action plan/tracker is not available.	Failure to action agreed improvements	Medium	<b>An action plan/tracker to be developed</b>	<b>Community Learning Manager</b>  <b>30 September 2015</b>

## Contact Details

Name Moira Weatherstone

Address Whitegates, Lochgilphead, Argyll, PA31 8RT

Telephone 01546 60(Number)

Email (Name)@argyll-bute.gov.uk

**[www.argyll-bute.gov.uk](http://www.argyll-bute.gov.uk)**

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