

ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	COMMUNITY SERVICES
AUDIT DESCRIPTION	RISK BASED AUDIT
AUDIT TITLE	SCHOOL STAFF CENSUS
AUDIT DATE	MAY 2016

2016/2017



1. BACKGROUND

This report has been prepared as a result of the Internal Audit review of the School Teaching Staff Census within Community Services as part of the 2016/17 Internal Audit programme.

It is a requirement that all schools complete an annual staff census to collect data on teaching staff levels as prescribed by the ScotXed guidelines which is part of education analytical services division within the learning and justice directorate of the Scottish Government. The purpose of this collection is to obtain accurate data on staff and staffing levels to be used for monitoring and to support evidence-based policy-making.

The Council, as part of the financial settlement for 2015/16, is committed to meeting the recommended Scottish Government's teacher number and pupil ratio.

Each of the schools within Argyll and Bute Council have access to the Scottish Education Establishment Management Information System (SEEMiS). Amongst other functionalities the system is used to record staffing levels and personal information.

The latest submission (2015/16) shows the Council had teaching FTE of 844 and a school role of 10,445 giving a teacher/pupil ratio of 12.37 which will be the baseline for 2016/17.

2. AUDIT SCOPE AND OBJECTIVES

The main objectives of the audit were:

- Review submission procedures to ensure they reflect Scottish Government guidelines
- Walk through testing of submission procedure
- Review data quality checking
- Review Governance and reporting arrangements

Control objectives will include:

Authority – Roles and delegated responsibilities are documented in policies and protocols and are operating well in practice.
Occurrence – Sufficient documentation exists to evidence compliance with policies and protocols.

- Completeness – Policies and protocols are available and required documentation is fully maintained.
- Measurement – Policies and protocols are in line with requirements.
- Timeliness – Policies and protocols are regularly reviewed and updated as necessary.
- Regularity – Documentation is complete, accurate and not excessive; it is stored securely and made available only to appropriate members of staff.

3. RISKS CONSIDERED

- Non Compliance with Legislative requirements
- Inadequate Operational Guidelines
- Record keeping is incomplete

4. AUDIT OPINION

The level of assurance given for this report is Reasonable.

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the management of risk are at a high standard with only marginal elements of residual risk identified, which are either being accepted or dealt with. A sound system of control is in place designed to achieve the system objectives and the controls are being consistently applied.
Substantial	Internal Control, Governance and management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk and where specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Reasonable	Internal Control, Governance and management of risk are broadly reliable, however although not displaying a general trend there are a number of areas of concern which have been identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk.
Limited	Internal Control, Governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and system objectives are at risk.

	Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.
No Assurance	Internal Control, Governance and management of risk is poor, significant residual risk exists and/ or significant non-compliance with basic controls leaves the system open to error, loss or abuse. Residual risk must be addressed immediately with management allocating appropriate resources 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:-

High - 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;

Medium - 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;

Low - 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.

5. FINDINGS

The following findings were generated by the audit:

Review submission procedures to ensure they reflect Scottish Government guidelines

- It was evidenced that schools have been issued with submission procedures that support the guidelines as set out in the ScotXed guidance note of August 2015. The Argyll and Bute submission procedures document outlines the key controls and procedures that individual schools must carry out to ensure that the data submitted is accurate and complete. The main areas outlined are:

- List of controls to ensure that data is complete and accurate such as staff verifying personnel data,
 - List of any changes by the ScotXed from previous year
 - AMIO runs monthly data quality checks and issues to school for action as necessary
 - Lists personnel who should be provided with a copy of the completed census
 - Lists personnel who should sign off completed census
- The review of the procedures evidenced that the controls and processes are in place and that roles and responsibilities have been identified and that staff are aware of their responsibilities.
 - It was evidenced that schools have been forwarded the latest “Guidance notes for completion of the staff census” issued by the ScotXed.

Walkthrough testing of ABC submission procedures

- Prior to submission of the teaching staff data it is the responsibility of each school to ensure that the data included within the SEEMiS system is both complete and accurate. Every school was forwarded both the ScotXed guidance and the Argyll and Bute guidance procedures prior to submission. Testing was undertaken at schools in relation to adherence to guidance. The testing generated the following findings:
 - Current guidance was available.
 - A Census timetable detailing required submission dates was available
- The ScotXed guidance stipulates the inclusion criteria for teaching staff namely:
 - All GTC registered teaching staff including all permanent, visiting specialists, supply and volunteer staff teaching during census week
 - All ASN Teachers with a work record to be included within each school
 - All permanent staff who are elsewhere (short or long term) e.g. maternity/paternity/sick leave
 - All the long term replacements for permanent staff who are elsewhere
 - Appropriate staff status should be recorded against each staff in their work record, e.g. on maternity leave

- The guidance also stipulates what staff should be excluded, such as daily-rate supply staff who regularly work at the school but who are not working there during census week and staff who work solely in the pre-school sector of your school.
- The guidelines also specifies the criteria for support staff inclusion namely 'including support staff on your normal working staff complement such as supervisory assistants and SEN assistants'. Examples given of exclusion were parents assisting on a voluntary basis, school crossing patrollers and canteen staff.

It was evidenced that for the schools reviewed:

- One of the primary controls, included within the ABC submission procedures, to ensure that staff are properly included/excluded within the census is the carrying out of a one to one session between the relevant school staff and the Administrative and Management Information officer (AMIO). These sessions have a prescribed checklist and it is the duty of the AMIO to check that the school have carried out all the controls stipulated. The controls cover the following areas:
 - Staff ScotXed and ABC staffing allocation reports have been printed
 - All work records for each staff member have been updated and verified as accurate and the work record pattern verified.
 - Correct GTC number is recorded within SEEMiS
 - Validation and error reports have been run and are now free from error.
 - Confirmation is made of any long term absent/ Maternity/supply and that staff are correctly accounted for as per the guidance
 - Staff ScotXed forecast has been checked as accurate and comparison made to ABC forecast with differences explained.
- It was confirmed that for the schools visited these one to one sessions had taken place and it was also evidenced that the checks had been carried out by the AMIO during the one to one sessions.

- It was evidenced that for the 2015/16 census a file had been prepared by the School Services Support Manager called “Staffing changes from 14/15 to 15/16”. The file compares the school submission for 2015 census to the allocated staff figure for that school with a comments section that explains any differences. It was evidenced that that this file agreed to the submission made for 2015 census.
- A sign off report had been forwarded to the AMIO by the Head Teachers in confirmation that the data was accurate and complete
- Assurance was given by the Head of Service that the final School Census report had been agreed by Management. Evidence of this could not be agreed to records.

Review Data quality checking

- The procedures published by both the ScotXed and Argyll and Bute Council specify the data quality checks that must be carried out and the documents to be signed off as verification of both the accuracy and completeness of the data. These checks are as follows:
 - Teaching staff member to sign off that their details/work patterns and times included within the system are correct.
 - Validation report detailing errors and omissions are run by each school prior to submission.
 - Staff census completion checklist, which summarises the various checks to be carried out, should be ticked as completed for each check.
 - Interim checklist signed off by the Head Teacher, which details the various checks and controls that should be carried out on the teacher data
 - Head Teachers to sign off that the data included for their school is complete and accurate and returned to AMIO.
 - Education Management to sign off the completed census as being complete and accurate.

It was evidenced that the data quality checks had been completed and signed off by the Head Teachers for the schools visited. It was confirmed by the AMIO that one to one sessions had taken place for all other schools and that the data submitted was both accurate and complete.

Review Governance and Reporting arrangements

- It was noted that a paper presented to the Community Services Committee in December 2015 summarised the results of the 2015 School staff census and also included a list of the actions put in place to meet the required teacher numbers and teacher/pupil ratios.
- It was noted from the Community Services Committee paper dated 10th December 2015 that the Council is committed to meeting the recommended Scottish Government's teacher number and pupil ratio. In view of the financial penalties that the Council may incur it was noted that the Council does not have a periodic review of staffing levels at a consolidated level which would provide management with an assurance or otherwise as to staffing levels.
- It was noted that the Education services carry out a separate census on "staff paid". As noted above, reconciliations are carried out between the census staffing levels and the allocated staff numbers, however there was no evidence of a formal reconciliation between the school staff census and the staff paid census.

6. CONCLUSION

This audit has provided a Reasonable 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 and 2. There were 2 medium recommendations set out in Appendix 1 which will be reported to the Audit Committee. There was 1 low recommendation which is not reported to the Audit Committee. Appendices 1 and 2 set 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 Education 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
1. Comparison to staff paid census		High/ Medium or Low		
It was noted that a “staff paid” census is also completed by Education Services. Although reconciliation’s are carried out between the proposed census staffing figures and staffing allocations between schools there is no formal reconciliation between the staff numbers census and the staff paid census.	Failure to reconcile the staff census to the staff paid census may result in errors not being identified.	Medium	Reconciliation will take place between Staff Pay Data and Staff Census	Administrative and Management Information officer 31 December 2016 - Annually
2. Period teacher/pupil ratio reviews		High/ Medium or Low		
In view of the financial penalties that the Council may incur it was noted that there is not a procedure for carrying out periodic checks at a consolidated staff level which would	Failure to carry out periodic checks on teacher/pupil ratios may lead to avoidable financial penalties.	Medium	Checks of staffing levels will take place in December, May and August, however August will be the only month that will accurately predict what staffing will	Administrative and Management Information officer 31 August 2016

<p>provide management assurance of staffing levels or otherwise.</p>			<p>be reflected in that year's census. December and May's checks will only determine the staffing levels in place at that time. December check will be carried out by Finance and SSSM. May and August's will be carried out by AMIO.</p>	
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