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Internal Audit Report

Community Services
Additional Support Needs

APRIL 2014

1.   INTRODUCTION

1.1   As part of the Annual Audit Plan for 2013/14 Internal Audit undertook a review of Additional Support Needs with regards to additional needs assistants.

1.2   The rights of children with additional support needs (ASN) and their parents have been strengthened through changes to the original 2004 Act introduced by the Additional Support for Learning Act 2009.

1.3   The emphasis of the audit was on the systems relating to the preparation and allocation of budgets across the areas within Argyll and Bute and also to assess whether there is robust client data available which supports the resource allocated to the service.

1.4   The budget for additional needs assistants in 13-14 is £2.8m including add-ons. The type of needs identified in schools covered are for example the following:

- Learning environment;
- Family circumstances;
- Disability or health needs;
- Social and Emotional Factors

2.   AUDIT SCOPE AND OBJECTIVES

2.1   An Audit Agreement Document (AAD) was prepared and forwarded to the Head of Education and the Quality Improvement manager responsible for Additional Needs for their agreement following the pre audit discussion meeting. The AAD set out the main objectives of the audit approach and scope with the following areas to be looked at:

- Requests for Additional support from schools;
- School budget monitoring reports;
- Review documentation prepared by schools showing how resources have been allocated and periodic assessments
- Interviewing personnel at 4 schools namely Kirn Primary, Dunoon Primary, Parklands and Rockfield Primary school.
- Comparison of the ratio of Additional hours allocated to school role and compared to other schools in Argyll and Bute.

3.   RISK ASSESSMENT

3.1   Risks identified per the service risk register were :

- ED04 Failure to meet additional support needs of children.
- Council reputational risk through failure to support needs of children

4. CORPORATE GOVERNANCE

4.1 There were no Corporate Governance issues to be reported as a result of this audit.

5. MAIN FINDINGS

5.1 A general review of the documentation produced by those schools visited clearly showed that for each pupil the needs of that pupil have been clearly documented and that a plan has been prepared outlining what assistance the pupils have been given on a daily basis and how they have responded to that assistance.

5.2 All schools visited were able to show how resources had been allocated to individual pupils based on need especially the output produced by Kirn Primary school.

5.3 The system by which schools bid each year for ASN resource should be reviewed in regards as to whether this is the best mechanism to allocate resource to schools based on ASN need and also the timetable as to when the exercise is carried out.

5.4 Internal Audit recognise that in schools where the number of assisted places available is greater than the resource required that efficiencies may not be possible in the short term due to the Councils employment contractual obligations of the assistants within the school.

5.5 Community Services are in the process of developing a monitoring system that compares the ASN assistant hours allocated for each school via the bid process to the actual number of hours currently being paid. The report also details the children being given ASN and the teachers assigned to Special Educational Needs (SEN).

5.6 The monitoring system outlined above should be developed and used as a budget monitoring tool by the service in conjunction with the Finance department.

5.7 Financial ASN Budgets should be aligned to the agreed hours by the Quality Improvement Manager for Assisted Special Needs (QIM ASN) and Area Principal Teachers with any cost differences being submitted as a cost pressure and submitted for approval or a saving.

6. RECOMMENDATIONS

6.1 Five recommendations were identified as a result of the audit. These have the following priority ranking, one high and four Medium. The recommendations are shown in the action plan attached at Appendix 1 and have been compiled with the co-operation and agreement of senior management.

6.2 Internal Audit considers that, in an effort to improve the quality of information, monitoring and control, the recommendations should be implemented in

accordance with the agreed action plan. Management have set achievable implementation dates and they will be required to provide reasons to the Audit Committee for failure to implement within the agreed timescale. Management, if it decides not to implement recommendations, must evaluate and accept the risks associated with that decision.

6.3   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:-

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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 it if 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.

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7.   AUDIT OPINION

7.1   The level of assurance given for this report is substantial. Based on the work carried out Internal Audit are of the view that there is robust documentation to show that pupils requiring assisted needs are having their needs assessed and that each pupils response to the resource allocated have been properly documented.

8.   ACKNOWLEDGEMENTS

8.1   Thanks are due to the following Officers and staff for their co-operation and assistance during the Audit and the preparation of the report and action plan:

- Quality Improvement Officer – Community Services;
- Head Teachers;
- Principal Teachers(pupil support)
- Finance Contacts-Community Services.

8.2   Argyll & Bute Council's Internal Audit section has prepared this report. Our work was limited to the objectives in Section 2. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

8.3   This report is private and confidential for the Council's information only and is solely for use in the provision of an internal audit service to the Council. In any circumstances where anyone other than the Council accesses this report it is on the strict understanding that the Council will accept no liability for any act or omission by any party in consequence of their consideration of this report or any part thereof. The report is not to be copied, quoted or referred to, in whole or in part, without prior written consent.

APPENDIX 1   **ACTION PLAN**

No.	FINDINGS	PRIORITY	RECOMMENDATION	RESPONSIBLE OFFICER	IMPLEMENTATION DATE
1	Each year during February and March head teachers are required to complete a 'Request for additional Adult Support' which outlines for each pupil the main barriers to learning and the additional support required to address those barriers with an estimation of the number of assisted hours required to address their needs. Area Principal teachers then discuss with the QIM ASN each of the school bids with a view to assessing whether the needs identified are met via the additional support needs mechanism and whether the resource requested is reasonable. Rockfield Primary school requested 723 hrs of assistants but was allocated 297 hrs	Medium	The system by which schools bid each year for ASN resource should be reviewed as to whether this is the best mechanism to allocate resource to schools based on ASN need. .	**Quality Improvement Manager (QIM)**	**30 August 2014**
2	The exercise for assessing the ASN resource requirement takes place during the months of February and March which is too late as regards the budget setting process for the following	Medium	The timetable for carrying out this assessment should be changed to bring it in line with the budget preparation process.	**QIM**	**30 August 2014**

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	financial year and too early for the subsequent year. The timetable for carrying out the assessment should be changed with a view to coinciding with the collation of the school census data and the setting of the financial budgets for the subsequent financial year. The months of September / October period would be more effective				
3	There is no audit trail between the number of hours bid by schools to the hours agreed by the QIM as regards explanation's as to why changes have been made.	Medium	An audit trail should be available linking the initial ASN bids from Head Teachers for assisted hours to the hours finally agreed by the QIM ASN and Area Principal Teachers showing both the original bid hours and final agreed hours but especially the reasons for the changes made.	QIM	30 August 2014
4	Internal audit recognise that the ASN service is a demand driven service and that the situation on the ground can change on a month to month if not a week to week basis. Oracle budgets for ASN are rolled forward from previous year with any adjustments usually made via the cost pressure mechanism. For 2013/14 financial year there	Medium	Quarterly review of Oracle budget to reflect changes in area activity/hours for each school with HQ Cost centre acting as holding account.	Principal Accountant (Community Services)	30 June 2014

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	was a £400k cost pressure added to ASN budgets which was as a result of the 12/13 actual/forecast. There is however no link by area between the hours agreed via the bid process and the area budgets recorded in Oracle. The Oracle budget should be aligned periodically with the hours agreed via the bid process with any cost difference taken to an HQ cost centre.				
5	Community Services are in the process of developing a monitoring system that compares the ASN assistant hours allocated for each school via the bid process to the actual number of hours currently being paid. The report also details the children being given ASN and the teachers assigned to SEN. Prior to the development of this	High	The new monitoring system for ASN being currently developed by Education requires to be maintained and kept up-to-date with any changes to ASN hours. This system should then provide the underlying data for budget monitoring /preparation.	**QIM (Budget Holder)**	**Complete**

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	system there was no practical means by which finance were able to explain the actual costs by area as recorded to the previously agreed SEN hours. Any changes to the agreed hours should be sanctioned by the Education Management Team with the monitoring system updated accordingly. Also Finance should adopt this monitoring tool for monthly budget monitoring.				