

Summaries of Finalised Internal Audits for 2021/22

Assurance level	Significance	Directorate	Audit title
Limited Assurance	Extensive	Children and Culture	Management of SLAs for Traded Services with Schools

Limited / Reasonable Assurance

Title	Date of Report	Comments / Findings	Scale of Service	Assurance Level
Management of SLAs for Traded Services with Schools	Dec. 2022	<p>This audit reviewed the effectiveness of management of SLAs for Traded Services with schools. There are 32 Traded Services operating within the Council, 9 of these are for children services. We selected a sample of 3 services, viz. School Library Service, Safeguarding Service and Education Psychology to test the systems and controls. The following good practices were identified:-</p> <ul style="list-style-type: none"> • There is a marketing brochure in place which details the services that can be purchased by schools, including the cost of services, how services are delivered and how to purchase the services on the SLA online portal. • We conducted interviews across three services, to assess the contractual arrangements between the Council and each school. Schools who make purchases of services on the SLA online portal automatically enter into a contract with the Council. We were provided with several completed feedback forms from each school, which detailed feedback on the Council's services delivery. We are able to verify that the Council actively request and receives feedback from Schools. • A review of key documents including price lists, income and budget reports for the Library and Safeguarding Teams found that that both services have accurate costing calculations in place which detail the current budget, income to date, expenditure and variance forecast budget. We also noted that budgets are used to track the team's income and monitor the annual income savings targets. 	Moderate	Limited

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		<ul style="list-style-type: none"> <li data-bbox="725 288 1688 759">We also analysed the budgets for the Library and Safeguarding services, to ensure that monitoring of income and expenditure is regularly conducted. We found that both departments maintain spreadsheets which outline their monthly budget forecasts, and income and expenditure and we can provide assurance that there were sound financial monitoring processes in place. From reviewing the 21/22 Safeguarding and 20/21 Library services budget reports, we can confirm that Library Services had a surplus of £12,051.31. The budget vs current forecast for Safeguarding services states there was an underspend of £37,211.15. This information was taken from a budget report YTD however, we did not receive the final outturn report to confirm whether the current budget position was met. <p data-bbox="678 783 1375 815">The following key issues and risks were reported:</p> <p data-bbox="678 855 1675 1145">Strategy/Business Plan: There is currently some work being done on developing a strategy/ business plan for the delivery of the nine SLA traded services to schools as there is currently no strategy/plan in place. Our discussions with the three Heads of Services identified inconsistencies. We also noted that activities appeared to be uncoordinated, unstructured, and not aligned with the Council's Strategic Theme of "Working smarter together as one team with our partners and community".</p> <p data-bbox="678 1153 1659 1334">The role of the Head of School Governance and Traded Information Services is to provide coordination and structure to all traded services within Children's services. We were informed that they are in the process of drafting a business balanced score card, which will form a part of the Traded Services Strategy/business plan.</p>		

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		<p>Policies and Procedures There are no policies and procedures in place for the delivery of traded services to schools with no details on how services are supplied, delivered and quality assurance processes outlined. We also noted that roles and responsibilities, delegated authorities, management arrangements, time frames, and contingency arrangements have not been defined.</p> <p>Contractual Arrangements and Monitoring We found that the School Library Services and Safeguarding departments issue feedback forms for schools to complete once services have been delivered. However, we were unable to review any feedback forms from Education Psychology as these were not provided. However, we found that there are no formal contract management arrangements in place. As the necessary evidence was not submitted, we were unable to provide assurance on whether the services proactively act on the feedback received to inform improvements as we were not provided with evidence. In addition, we were informed that regular contract monitoring meetings are not undertaken to formally review the performance of the delivered service between the Council and customer/schools.</p> <p>Financial policy and monitoring arrangements We examined the costing calculations for the three traded services to ensure that these were costed appropriately and income that was generated sufficiently covered costs of resources and staff salaries. Although we found no issue with the way Heads of Services cost their services, we noted that there is no formal approval process on the agreed fixed fees for the services delivered for the year. Our review</p>		

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		<p>also highlighted that there are currently no formal charging/pricing policies in place for the nine Traded Services. Management advised that the Heads of the Service are responsible for deciding the price of the SLA services which are delivered.</p> <p>Billing and payment control</p> <p>We reviewed the billing and payment control processes to assess whether appropriate controls are in place to recover outstanding debts. The defined system for billing and payments control is that schools should order and pay for services from the online SLA portal. However we found that the online SLA portal is not consistently used for services to be procured and payments to be received. We we identified that some services, like safeguarding raise their invoices on the Council financial ledger system; Agresso. This made it difficult to clearly identify and account for all traded services income transactions.</p> <p>All findings and recommendations were agreed with the Head of School Governance and Traded Services. The final report was issued to the Corporate Director of Children and Culture, Director of Education and Strategic Head of Finance.</p>		