

## Assurance Framework Reviews

### Education Assurance

#### **Assurance Level – Substantial Assurance**

1. The Chief Finance Officer is required annually to confirm that there is 'in place a system of audit for schools which gives adequate assurance over their standards of financial management and the regularity and propriety of their spending'. In addition, assurance relating to the systems in place within schools forms part of the overall annual audit opinion.
2. For overall Local Authority management of governance arrangements in schools, assurance can be taken from the advice and guidance made available to assist schools in complying with the Local Management of Schools / Fair Funding and other statutory requirements.
3. School budgets are regularly monitored by Resource Management staff and form part of the overall accounts for the County Council.
4. There is a requirement by the Department for Education for schools to complete an annual schools financial value standards self-evaluation and produce an action plan to rectify any areas where they consider they fall short. Although this information is collated by Accountancy staff within Resource Management, there is no process corporately to ensure that schools have taken action. However, it is acknowledged that it is the responsibility of the leadership team in schools to ensure that this has taken place. In addition, there is no monitoring to indicate whether a school has reported the same failings in more than one year.
5. As raising educational attainment and skills levels is one of the County Council's priorities, assurance was gained that, as part of the quarterly performance report, progress is presented to County Management Team. Performance of all schools is monitored by staff in CYP and the outcomes reported regularly to the School Improvement Accountability Board. In addition, sustainability risk assessments are completed for all schools taking information from, for example, catchment / pupil data, finance and Ofsted outcomes.
6. All schools are subject to inspection from Ofsted and raising standards in schools is subject to regular scrutiny at various management levels, including Corporate Management Team as part of the 'Raising the Bar' initiative.
7. Assurance was assessed regarding the arrangements in place for safeguarding, business continuity and risk management. It was not possible to provide full assurance in relation to these areas as day to day management is undertaken locally at schools, although there is a corporate process in place which measure compliance with statutory guidelines. A higher level of assurance could be gained regarding health and safety arrangements as a clear process is in place both locally in schools and corporately assisting schools to comply with statutory requirements.

**Assets – Property Management****Assurance Level – Sufficient Assurance**

8. Financial procedures and regulations within The Constitution outline delegated responsibilities and reporting requirements. Budgets are monitored and the financial position regularly reported to The Cabinet. An up to date list of assets is maintained on the property management system, K2, and these are valued on a five year rolling programme.
9. Acquisitions or changes to the property portfolio are approved as part of projects for individual Directorates. These projects are managed by Directorates in line with their usual project management processes, including consultations. Financial procedures within The Constitution require the Head of Finance to be responsible for the custody of all title deeds and that these shall be held in the custody of the Head of Legal Services. However, in practice these are retained by Archives. All property is registered with the land registry which negates the need for title deeds.
10. Guidance for property management utilisation can be found both in The Constitution and on MySCC. Vertas and Concertus work to ISO9001 accredited processes and an annual report to County Council demonstrates effective use of assets and how Property Management links to the Council's Priorities. The Corporate Property Programme Board and Officer Group meets regularly to discuss Property Management issues, including risks. Information relating to land and buildings is published on the SCC website as part of the transparency agenda.
11. Maintenance of properties is managed by Vertas, ensuring that they remain fit for purpose. The annual reviews are conducted using a manual checklist with the outcomes transferred into K2. Vertas are continuing to investigate the introduction of an electronic alternative to improve the efficiency of this system. Business continuity plans are in place to ensure that services can be maintained in the event of loss of, for example accommodation, utilities or staff. Processes ensure that adequate insurance arrangements exist for the property portfolio.
12. A suite of reports from the Property Management System is used to monitor the property portfolio, including rent / leases and terms and conditions. There is an approved disposal policy and, once a decision has been made to dispose of a property Vertas are responsible for the decommissioning.

**People Management****Assurance Level – Sufficient Assurance**

13. The Head of Human Resources (HR) has delegated authority from the Constitution to 'exercise the functions of SCC relating to all human resources and employment matters...'. The Head of HR reports directly to the Director of Resource Management and is a member of the Corporate Management Team (CMT). Within the HR function, the service is

managed and directed through a lead team, with resources allocated and prioritised through a comprehensive capacity plan tool and work scoping.

14. The Council has a People Strategy in place, governed through the HR Strategy Board. The aim of the People Strategy is to create a workforce that is equipped to deliver the Council strategic priorities and be fit for purpose with the future in mind.
15. Whilst it is difficult for Audit Services to judge whether the Strategy will be successful, assurance has been gained that the programme of work is well managed and coordinated.
16. A policy working group is in place, with responsibility for maintaining HR policies up to date and ensuring any legislative changes relating to employment are implemented. Assurance was gained that policies and procedures are in place relating to staff health and wellbeing, recruitment, time off, cessation of employment, learning and development, and trade union relations. In addition, staff are encouraged and have the opportunity to voice their opinions through the annual staff survey.
17. During the review, gaps were identified where sufficient assurance could not be gained, specifically the personal development review (PDR) process and its links to performance management; the regulatory of reporting of staff cases to Directorates such as disciplinary, capability, grievance and bullying and harassment, and how succession planning is managed. Whilst Audit Services will not carry out targeted audit work in these areas, actions have been agreed that will improve the control environment.

### **Risk Management**

#### **Assurance Level – Sufficient Assurance**

18. Corporate and Strategic risk management processes demonstrate sufficient controls to ensure that risks of this nature are managed. Limitations to assurance have been identified in relation to the management of risk in day to day activities because these cannot be evidenced. This does not indicate that risks are not being managed.
19. Active Risk Management (the Council's adopted risk management approach) embeds the management of risk within normal decision making and prevents labour intensive risk processes that some formal risk management approaches advocate. It has not been possible through the assessment to provide assurance that employees are aware of risk management techniques or trained to identify risks or opportunities and escalate them appropriately.