

FINAL INTERNAL AUDIT REPORT

EDUCATION AND CARE SERVICES DEPARTMENT

REVIEW OF BROMLEY CHILDREN PROJECT AUDIT FOR 2016-17

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REVIEW OF BROMLEY CHILDREN PROJECT AUDIT FOR 2016-17

INTRODUCTION

1. This report sets out the results of our systems based audit of Bromley Children Project Audit for 2016-17. The audit was completed in quarter 2 of 2017-18 as part of the programmed work specified in the 2017 Internal Audit Plan agreed by the Section 151 Officer and Audit Sub-Committee.
2. The controls we expect to see in place are designed to minimise the department's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be corrected to assist overall effective operations.
3. The original scope of the audit was outlined in the Terms of Reference. The period covered by this report is from 6 January 2016 to 5 January 2017.

AUDIT SCOPE

4. The scope of the audit is detailed in the Terms of Reference.

AUDIT OPINION

5. Overall, the conclusion of this audit was that substantial assurance can be placed on the effectiveness of the overall controls. Definitions of the audit opinions can be found in Appendix C.

MANAGEMENT SUMMARY

- Controls were in place and working well in the areas of activities and services aligning with the core principles in the Sure Start Children's Centres' statutory guidance 2013, publicising services and activities, monitoring and engaging with Bromley Children Project users, budget monitoring and certifying expenditure. Whilst no observation assessments

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were carried out of any of the courses and activities provided at Children Centres in 2016/17 due to staff shortages, we have seen that a programme of observations is in place for 2017/18.

6. Our testing identified the following issues which we would like to draw to management's attention :-
- The asset register on the team site used to record valuable and desirable assets at each Children Centre was not complete with details including the make, model, serial number and purchase price of each asset,
 - Weekly text reminders had not been sent to people who had booked courses and those people whose course attendance had lapsed were not contacted to establish the reason for their non-attendance,
 - The unit cost i.e. per person per session of each course had not been calculated and used at the end of the year to inform the decision making process for planning future courses.

SIGNIFICANT FINDINGS (PRIORITY 1)

7. There are no Priority 1 findings.

DETAILED FINDINGS / MANAGEMENT ACTION PLAN

8. The findings of this report, together with an assessment of the risk associated with any control weaknesses identified, are detailed in Appendix A. Any recommendations to management are raised and prioritised at Appendix B.

ACKNOWLEDGEMENT

9. We would like to thank all staff contacted during this review for their help and co-operation.

DETAILED FINDINGS

No.	Findings	Risk	Recommendation
1	<p>There is an asset register on the team site which is used to record valuable and desirable assets. We noted that there is a field headed 'Additional Information / key numbers' which can be used to include details of the make, model and serial number. There was no specific field for the purchase price of each asset.</p> <p>Our sample of payments included the purchase of a cross-cut shredder in January 2016 for Blenheim Children Centre. This had been included on the asset register but the above details had not been entered.</p>	<p>Assets may not be readily identified in the event of loss through fire or theft.</p>	<p>When an item is purchased and added to the asset register in future, the details including the make, model, description, serial number, date of purchase and purchase price of each item should be added. The missing details of the cross-cut shredder purchased in January 2016 for Blenheim Children Centre, which we identified from our sample of expenditure, should be added.</p> <p>Additionally, arrangements should be put in place for an annual stock check of the items at each Children's Centre to be carried out. [Priority 2]</p>

Priority 1
 Required to address major weaknesses and should be implemented as soon as possible

Priority 2
 Required to address issues which do not represent good practice

Priority 3
 Identification of suggested areas for improvement

DETAILED FINDINGS

No.	Findings	Risk	Recommendation
2	<p>Attendance registers/logs are completed and the details of courses attended by attendees are recorded on their database record. We obtained the attendance details for a sample of sessions covering 6 courses to analyse attendance levels. This showed that some session had been well attended but others less so. We were informed that text message reminders are sent to attendees to encourage them to attend sessions.</p> <p>Therefore we selected a sample of 8 people who had attended the first few sessions of a course but had missed the subsequent sessions. We checked their database record to confirm that they had been sent a reminder text. We found that a reminder was sent on only 2 occasions. For one of those occasions the reminder was sent on the day of the course. We discussed this with the Head of Service and Service Continuity & Coordination Officer who told us that there has been a significant increase in the cost of the text messaging service and this can amount to a considerable sum when multiplied by the number of attendees on all courses and weekly course sessions. Alternative methods will therefore be considered.</p>	<p>Courses are not well attended resulting in an increase in the unit cost per person per session. Course places could have been offered to others who would have benefitted from attending and acquiring new skills, knowledge and experience.</p>	<p>The Children and Family Centre staff should consider alternative ways of reminding attendees of course sessions at their Centre, at least one day before that week's session. Where someone does not attend for two weeks running, further action such as a follow up telephone call to try to find out the reason for the non-attendance should be made. [Priority 2]</p>

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3	<p>One of the other courses in our sample was the Family Kitchen course at Burnt Ash from 10/1/17 – 7/2/17. The total cost of the course was £1,500. We noted that over the five weeks of the course only two people attended (with one of those bringing her son on the first week). We acknowledge that their attendance rate was 100% and 80% respectively. We were informed that a maximum of 6 people can be accommodated in the kitchen so the course was underutilised and this resulted in a cost per person per session of £166.00 or £88.00 per hour.</p>	<p>Value for money may not be obtained. Costing information is not included when decisions about future courses to be run at Children and Family Centres are made.</p>	<p>The Children and Family Centre staff should :-</p> <p>(a) identify any courses due to take place where bookings show that the course has an uptake of less than 50%. Action should then be taken to publicise the places still available and</p> <p>(b) calculate the cost per person per session at the end of a course. Costing information should be used as part of the decision making process when deciding which courses to commission for the coming year.</p> <p>[Priority 2]</p>

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MANAGEMENT ACTION PLAN

Finding No.	Recommendation	Priority *Raised in Previous Audit	Management Comment	Responsibility	Agreed Timescale
1	<p>When an item is purchased and added to the asset register in future, the details including the make, model, description, serial number, date of purchase and purchase price of each item should be added. The missing details of the cross-cut shredder purchased in January 2016 for Blenheim Children Centre, which we identified from our sample of expenditure, should be added.</p> <p>Additionally, arrangements should be put in place for an annual stock check of the items at each Children's Centre to be carried out.</p>	2	<p>There is an active Asset Register called an Asset Log. A lot of the existing assets were purchased before Bromley Children Project took over the Children and Family Centres and those purchase records were not available. Those items were added when we created the Asset Log, but the records were incomplete.</p> <p>We have added a purchase price field to our Log as recommended. We will complete this from this point on.</p>	<p>Head of Service</p> <p>Service Continuity and Coordination Officer</p>	<p>Add field 26/07/17</p> <p>Start to log price WEF 26/07/17</p>

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			<p>The Shredder purchased for Blenheim in January 2016 was added to the Log in April 2016 by a student on placement. The missing detail has now been added.</p> <p>We will put in place an Annual Asset Log check, which we will start by 30 September 2017.</p>	<p>Senior Finance Officer</p> <p>Service Continuity and Coordination Officer</p>	<p>Completed</p> <p>First check to start by 30/09/17</p>
2	The Children and Family Centre staff should consider alternative ways of reminding attendees of course sessions at their Centre, at least one day before that week's session. Where someone does not attend for two weeks running, further action such as a follow up telephone call to try to find out the reason for the non-attendance	2	<p>The texting costs rose to 20p per text making this no longer a viable option.</p> <p>The staffing structure is skeletal at the Children and Family Centres and this makes relying on making telephone chasers difficult.</p>	Head of Service & Intelligence and Operations Lead	Solution costed and procured (if relevant) by 31/03/18

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	should be made.		We are exploring other options such as emails – and whether these can be automated for users with email accounts. This is not a quick-fix and will take time to research a workable solution. This project started in February but halted when the IOT Lead left. The new IOT Lead arrived in July and this will be one of the projects she leads on (amongst other more pressing projects e.g. Tackling Troubled Families data).		
3	The Children and Family Centre staff should :- (a) identify any courses due to take place where bookings show that the course has an uptake of less than 50%. Action should then be	2	(a) The process in the Children and Family Centre staff team already includes identifying courses where there is low take up.		

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	<p>taken to publicise the places still available and</p> <p>(b) calculate the cost per person per session at the end of a course. Costing information should be used as part of the decision making process when deciding which courses to commission for the coming year.</p>		<p>Children and Family Centre support officers have been told to look two weeks in advance and if they are unable to recruit to a course, the SCCO will endeavour to renegotiate a new delivery slot with the provider or transfer to an alternative Children and Family Centre if the need is greater elsewhere in the borough.</p> <p>Courses with low take up are then emailed to all FSPPs and SFSP along with HoS. HoS will then forward to HoS in CSC.</p> <p>(b) We include a cost per head calculation for courses when we commission. We have not done this with post-attendance. We will now do this for a selection of courses and use to inform commissioning. We will aim to cost one course per provider by December 2017.</p>	<p>Senior Family Support and Parenting Practitioner Team to oversee Children and Family Centre Support Officers' work</p> <p>Service Continuity and Coordination Officer</p>	<p>In progress and on-going</p> <p>31/12/17</p>

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OPINION DEFINITIONS

APPENDIX C

As a result of their audit work auditors should form an overall opinion on the extent that actual controls in existence provide assurance that significant risks are being managed. They grade the control system accordingly. Absolute assurance cannot be given as internal control systems, no matter how sophisticated, cannot prevent or detect all errors or irregularities.

Assurance Level

Definition

Full Assurance

There is a sound system of control designed to achieve all the objectives tested.

Substantial Assurance

While there is a basically sound systems and procedures in place, there are weaknesses, which put some of these objectives at risk. It is possible to give substantial assurance even in circumstances where there may be a priority one recommendation that is not considered to be a fundamental control system weakness. Fundamental control systems are considered to be crucial to the overall integrity of the system under review. Examples would include no regular bank reconciliation, non-compliance with legislation, substantial lack of documentation to support expenditure, inaccurate and untimely reporting to management, material income losses and material inaccurate data collection or recording.

Limited Assurance

Weaknesses in the system of controls and procedures are such as to put the objectives at risk. This opinion is given in circumstances where there are priority one recommendations considered to be fundamental control system weaknesses and/or several priority two recommendations relating to control and procedural weaknesses.

No Assurance

Control is generally weak leaving the systems and procedures open to significant error or abuse. There will be a number of fundamental control weaknesses highlighted.