

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2014/15

COMMITTEE:

Item No. 3b
Finalised Audit Assignments 2014/15

AUDIT COMMITTEE

2nd February 2015

REPORT OF:-

GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Marc Crumbie (Operational Audit Manager)

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1. PURPOSE OF THE REPORT

This report provides Members with a summary of audit assignments completed between 29th November 2014 – 13th January 2015.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Note the contents of this Report.
- 2.2 Consider what comments and recommendations, if any, they wish to make.

3. BACKGROUND

- 3.1 In line with agreed procedures, I attach at **Appendix 1** (Page 21) a summary of audit assignments completed between 29th November 2014 – 13th January 2015.
- 3.2 I have provided Members with the Auditor's stated opinion regarding the system or service examined and have summarised the high priority recommendations made together with the management response and the anticipated implementation date for each agreed high priority recommendation.
- 3.3 Members will note that of the 10 completed assignments, 2 resulted in at least one high priority recommendation being made.

3.4 The audit assignments summarised at **Appendix 1** are: -

	Number of Audit Recommendations			
	High	Medium	Low	Total
CORPORATE & FRONTLINE SERVICES				
Council Tax	0	1	1	2
Housing Benefits	0	0	2	2
Management of Information Technology Assets	3	8	6	17
Non-Domestic Rates	0	0	0	0
EDUCATION & LIFELONG LEARNING				
Aberdare Community School	0	0	6	6
Education Other Than at School	4	7	0	11
Pentre Primary School	0	1	2	3
YGG Abercynon	0	0	1	1
YGG Garth Olwg	0	3	5	8
Ysgol Hen Felin	0	14	3	17

4. SUMMARY

4.1 The regular provision of all summarised audit assignments to Audit Committee throughout the year is aimed at assisting Members in evaluating the effectiveness of Internal Audit work across all Council systems and services.

4.2 In doing so, it enables Members to form an opinion on the overall control environment prior to the closure of accounts process for 2014/15.

LOCAL GOVERNMENT ACT, 1972

as amended by

THE ACCESS TO INFORMATION ACT, 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LIST OF BACKGROUND PAPERS

AUDIT COMMITTEE

2nd February 2015

Report of the Group Director for Corporate & Frontline Services

Author: Marc Crumbie (Operational Audit Manager).

Item	File Ref:
4. Finalised Audit Assignments 2014/15	IA / MC

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CORPORATE & FRONTLINE SERVICES

COUNCIL TAX

Date: 06/01/2015

INTRODUCTION

The management and control of the Council's Council Tax Section is undertaken by the Corporate & Frontline Services Group (Operational Finance Service).

Council Tax is a tax levied on all eligible domestic properties. The amount of tax levied is dependent on the Council Tax band that the property falls into and the amount of tax to be raised by the Billing (Local) Authority. The monies raised through Council Tax contribute to a local Council's income.

The full rate of tax is liable to be paid unless the property, owner or occupier is eligible for a reduction or exemption. The main reasons for reductions include empty property discounts, single person discounts, benefits for residents on lower incomes (where income includes wages, income support and pensions), and exemptions for students. Empty properties are subject to an inspection every 6 months to confirm that the property is still vacant.

Should any accounts be in credit, the Council Tax Payer is entitled to a refund. Additionally, where all recovery processes have been exhausted, it is possible that outstanding accounts may be written off.

AUDIT OPINION

Overall, the control environment is considered effective with the self-evaluation processes adopted resulting in an overall high level of assurance being provided.

Testing undertaken to confirm the accuracy of the information provided in the Self- Evaluation document was found to be robust.

The inspection of RCT Homes premises was reviewed. On the basis that the information received from RCT Homes has been confirmed as accurate (they submit information to the Council as and when any changes of circumstances arise), in order to maximise the use of Council staff resources it is recommended that management place a higher level of assurance on information received from RCT Homes and reduce the level of scheduled inspections. Implementing the recommendations contained in the report will enhance further the control environment.

No High Priority Recommendations Made

HOUSING BENEFITS

Date: 09/12/2014

INTRODUCTION

Housing Benefit is a national welfare benefit made available to people on low incomes to help them pay their rent. Depending on the individual circumstances of the claimant, they can have part or all of their rent paid.

From 1st April 2013, the amount of Housing Benefit paid to tenants who live in Council or Housing Association properties was reduced nationally, where they have more bedrooms than the family requires. There are some exemptions, such as those of pension credit qualifying age, tenants in some types of temporary accommodation and tenants in supported exempt housing.

In exceptional circumstances, tenants may qualify for a Discretionary Housing Payment (DHP) to help towards the reduction in Housing Benefit. Individuals must satisfy the Council that further help is required with housing costs by providing proof of income and expenditure. They are generally only available as short-term assistance, rather than a long term solution.

AUDIT OPINION

Overall the control environment in relation to the Housing Benefits system is considered to be effective.

Audit testing incorporated a sample of new applications and change of circumstance notifications. Following a series of tests to ensure that key information and documentation required to process new applications had been provided by claimants, and / or requested by the Housing Benefits Team, a number of minor exceptions were initially identified. Certain key documentation in these cases e.g. bank statements, had not been received or appeared not to have been requested. However, further clarification from the Housing Benefits Team revealed that adequate evidence had been obtained in these instances via means testing carried out by the Department for Work and Pensions (DWP) hence there was no further need for the claimant to provide these documents nor would the Council need to request them.

Where the Council are advised by claimants of any changes of circumstances, the necessary amendments (and where required, follow up action i.e. request for further information from the claimant) were made promptly and the award where necessary had been revised / amended to reflect those changes. Overall the control environment in relation to the processing of new housing benefits claims is considered to be operating effectively as is updating claimant accounts on receipt of a change of circumstances form.

This review also examined the two recommendations made in the previous Internal Audit report which related to Discretionary Housing Payments (DHP) and how inconsistencies were identified between the reasons for awarding or refusing DHP payments that are recorded on the DHP spreadsheet and those reasons detailed in the correspondence issued to the claimant. In this review the same inconsistency has been noted where the reason for refusal on the DHP central spreadsheet differed from that on the notification letter issued to the claimant (albeit only 3 instances were noted). Management also need to consider whether the 'does not meet criteria' reason recorded on the spreadsheet is a required/valid reason especially as a more detailed reason is provided to the applicant.

There was also some inconsistency noted in the content of the correspondence issued to claimants. One instance was noted whereby the notification letter did not specifically include the reason for refusal (the reason on the spreadsheet was 'Excess Income'), nor did it provide any details of the applicant's

income to support the reason of 'excess income'. In comparison, for 3 other refusal letters examined in the sample (all 'Excess Income') the corresponding notification letter gave a full breakdown of the applicant's income. These minor issues do not affect the overall process of granting DHP payments which is again considered effective.

All Housing Benefit correspondence in the sample was processed correctly with no anomalies noted.

No High Priority Recommendations Made

MANAGEMENT AND CONTROL OF INFORMATION TECHNOLOGY ASSETS

Date: 23/12/2014

INTRODUCTION

Information Technology (IT) is at the heart of all business operations across the Council. The range of equipment available such as personal computers, laptops, printers, mobile phones etc., enables more efficient working, however, the fact that these systems are now business critical bring with them risks of viruses, malicious attacks etc. Due to the value and portability of these items, they are also vulnerable to misappropriation if not controlled securely. Council IT assets could be more vulnerable if the following four areas are not controlled appropriately:

- new equipment purchased prior to being assigned to an individual;
- equipment awaiting refurbishment;
- equipment assigned as spares;
- items for disposal.

New equipment is recorded and stored within a secure storage facility. Disposals are logged in the Servicedesk system, hard disks are removed (where applicable) and Computer Recyclers (external contractor) dispose of the assets securely, as commissioned. Refurbished items are logged and stored in the build rooms awaiting utilisation. Full spare equipment is logged and retained in individual offices, whilst spares resulting from staff leavers and service moves and changes (as notified by HR and Estates respectively) are collected by ICT officers.

The overall accountability for managing and controlling IT assets lies with the Director of Customer Care and ICT, within the Corporate & Frontline Services Group.

AUDIT OPINION

The following areas were reviewed, during the audit:

- Acquisitions,
- Disposals,
- Refurbishments,
- Surplus stock.

All four areas tested have recommendations made to improve processes.

The control environment in relation to Acquisitions, Refurbishments and Surplus stock is considered to be effective with opportunity for improvement. However, the control environment for Disposals is deemed to be not adequate. It should be noted that the processes tested are being subject to a review by IT Management, at present.

The Acquisition process was found to be effective, with some areas of improvement required, with testing carried out on 15 purchases. These include evidencing that items purchased for growth have been approved by the appropriate Head of Service.

For disposals, the process was found to require significant improvement. Testing identified that serial numbers of hard drives were not recorded and that

details received from the company tasked with disposing of ICT equipment were not checked or reconciled back.
 For refurbished kit, the process was operating appropriately, with some exceptions. In particular, items identified as being stored in the build room were found to be stored elsewhere.
 For surplus kit, testing identified that ICT staff were notified of the majority of leavers after the event and therefore identification of surplus kit and subsequent collection is mainly reactive. Where kit is not collected as Managers confirm that it is being utilised, this is not being subject to challenge.
 By implementing the associated recommendations contained within this report, management will enhance further the standard of control.

Ref. No.	High Priority Audit Recommendations made & Agreed by Management	Agreed Implementation Date
5.2.5	<p>AGREED RECOMMENDATION</p> <ul style="list-style-type: none"> • Management should formalise agreed timescales for receipt of Waste Transfer Notes, electronic reports and certificates from the appointed contractor. This should form an addendum to the agreement and agreed by both parties. • Management should ensure that records of collections are maintained by ICT staff and missing Waste Transfer Notes chased up promptly, within agreed timescales. • Outstanding certificates should be chased up promptly. • Management should remind the company that certificates should be received on a timely basis. <p>MANAGEMENT RESPONSE Agreed.</p>	31 January 2015
5.2.7	<p>AGREED RECOMMENDATION</p> <ul style="list-style-type: none"> • Management should ensure that an automated list of items awaiting collection is run and reconciled to the physical items awaiting disposal. Any anomalies should be identified and corrected. • Management should work towards producing the report from one source. • Consideration should be given to adding an extra field to the Stock Access Database for pre-disposals to distinguish them from items which have been disposed. • On collection, this list should be reconciled to the numbers listed on the Waste Transfer Note prior to signing. • Management should ensure that the electronic reports received are reconciled back to the Waste Transfer Notes, on receipt and any anomalies investigated. (This process will be helped if the accuracy of the Waste Transfer Note has already been verified against an automated report detailing asset numbers and serial numbers, as above). • Discrepancies should be investigated and resolved. 	30 June 2015

Ref. No.	High Priority Audit Recommendations made & Agreed by Management	Agreed Implementation Date
	<ul style="list-style-type: none"> Management should ensure that the items updated as disposed in the Stock Access Database and Heat should be reconciled back to the Waste Transfer Notes and electronic reports. <p>MANAGEMENT RESPONSE Agreed.</p>	
5.2.8	<p>AGREED RECOMMENDATION</p> <p>The contractor should be reminded that the data agreement specifies that all hard disks shredded on site should have their serial numbers scanned, prior to shredding.</p> <p>Management should request that the contractor provides the Council with a breakdown of all work undertaken in relation to each Waste Transfer Note i.e.</p> <ul style="list-style-type: none"> Hard disk drives shredded (on site); Hard disk drives datawiped on the premises of the contractor. <p>For each 'category' detailed above, the serial number/asset number should be included by the contractor in the electronic report.</p> <p>Management should ensure that they retain their own records of serial numbers/assets numbers (both shredded on site and taken away for datawiping). This information should be used to check the accuracy of the information provided by the contractor during a reconciliation of the electronic record to the Waste Transfer Notes. Any anomalies should be identified and investigated.</p> <p>MANAGEMENT RESPONSE Agreed.</p>	Implemented

NON-DOMESTIC RATES

Date: 06/01/2015

INTRODUCTION

The management and control of the Council's Non-Domestic Rates (NDR) Section is undertaken by the Corporate & Frontline Services Group (Operational Finance Service).

NDR are the means by which businesses and those who occupy non-domestic properties make a contribution towards local services. The rates are pooled by the Welsh Government and redistributed to local councils in proportion to the number of people living in the area. This income together with revenue from Council Tax and the Welsh Government Revenue Support Grant is used to fund the services provided by Rhondda Cynon Taf County Borough Council. Should any accounts be in credit, the Rate Payer is entitled to a refund. Additionally, where all recovery processes have been exhausted, it is possible that outstanding accounts may be written off.

AUDIT OPINION

Overall, the control environment is considered effective. The self-evaluation processes adopted has resulted in an overall high level of assurance being provided.

During the current financial year, 595 retail reliefs were awarded, for the first time. Testing of 25 of those retail reliefs established that the reliefs awarded were appropriate, accurate, supported by adequate documentation and were in compliance with De Minimus State Aid Rules.

Testing undertaken to confirm the accuracy of the information provided in the Self-Evaluation document was found to be robust, with no exceptions identified.

No High Priority Recommendations Made

EDUCATION & LIFELONG LEARNING

ABERDARE COMMUNITY SCHOOL

Date: 10/12/2014

INTRODUCTION

Aberdare Community School is a new, 11-18 English Medium School which opened in September 2014, following the closure of Aberdare Girls', Aberdare High and Blaengwawr Comprehensive Schools. It is anticipated that the School, which is currently based across three campuses (Plasdraw, Blaengwawr and Cwmdare), will relocate to a new campus on the Ynys site in March 2015.

The purpose of this audit is to help and advise the School in achieving general standards of good practice in financial administration and governance. The audit also aims to provide the School with a framework to evaluate the effectiveness of its financial administration, and where weaknesses are identified, to make appropriate recommendations for corrective action.

AUDIT OPINION

The control environment at Aberdare Community School is considered to be effective with opportunity for improvement.

Given that the School had only been open for six weeks at the time of review, limited transactions and examples of procedures in practice were available. Notwithstanding this, the review incorporated all areas of administration, and where possible, substantive testing was undertaken. Where issues were noted, findings and associated recommendations have been provided to management (none of which are considered high priority). In order to formally document the necessary expected controls that are yet to have been established at the School, a series of advisory recommendations have been made for Management to address in due course (none of which are considered high priority).

It was evident that the individual roles and responsibilities of the Finance Director and administrative team have been largely defined, and duties within key processes such as purchasing have been sufficiently segregated. The report recommends that the School develop a Finance Policy/Procedure setting out how the School manages each area of financial administration.

The report contains six recommendations made on the basis of substantive testing, all of which are deemed to be of low priority and relate to demonstrating that checks have taken place i.e. signing and dating purchase card bank statements and ensuring cheque authorisation slips are also signed by one of the account signatories.

The remainder of the recommendations are based on expected controls that the School must establish to provide the necessary level of assurance going forward. Coupled with the aforementioned Finance Policy/Procedure document, establishing key controls such as formalising future hire/invoicing arrangements and ensuring statutory requirements in respect of Governance are met, will further strengthen the Schools control environment.

No High Priority Recommendations Made

EDUCATION OTHER THAN AT SCHOOL

Date: 24/12/2014

INTRODUCTION

Education Other Than At School (EOTAS) is the provision of education and training for young people of compulsory school age who have, for a variety of reasons, ceased or partially ceased to attend school.

This provision is normally delivered outside of the formal school environment. Such reasons for this provision could include:-

- Pupils educated at home (because parents have chosen this method for their children);
- Home or hospital tuition for pupils unable to attend school through illness or disability;
- Pupils who have / are at risk of being excluded;
- Pupils with social and behavioural difficulties where a classroom environment is not appropriate;
- Pupils who are pregnant or have recently become young parents.

The Council has an EOTAS team based principally in Ty Gwyn. They oversee the education provided at this site, but they are also responsible for all Home and Group Tuition.

AUDIT OPINION

Based on the audit testing undertaken, the administration of education other than at schools (principally managed from Ty Gwyn) is considered to be insufficient and requires improvement.

Issues governing the provision and management of education provided other than at a school were noted, as follows:

- Attendance for children in receipt of education other than at school is not being promptly / accurately updated in SIMS.
- 2 pupils receiving Home Tuition had not been recorded on SIMS.
- 'Home Schools' are not always being made aware of pupils absence.
- The reasons for absence for pupils who are taught at home (by a Tutor) were not recorded or the e-mails retained from the tutors.
- The minutes of the fortnightly Panel meetings (introduced in May 2014) approving the Home Tuition do not indicate the programme (days / hours) to be delivered to pupils.
- A dually registered pupil had not been recharged by the service as the Tribal system had not been accurately completed.
- Home Tuition tutors are not being formally interviewed for their positions (DBS checks were noted however).
- Home Tuition tutors are not always accurately completing timesheets, the hours they work vary considerably each month.
- A tutor provides tuition at the Royal Glamorgan Hospital, the pupils are not known and the arrangement is made independently to Ty Gwyn.
- Not all staff had received Safeguarding Training.

Implementation of the recommendations made within the report will enable Management to enhance the standard of administration of the service.

Ref. No.	High Priority Audit Recommendations made & Agreed by Management	Agreed Implementation Date
5.1.1	<p>AGREED RECOMMENDATION The attendance of all pupils should be promptly updated into SIMS. Schools and Ty Gwyn's SIMS attendance details should contain consistent information for dually registered pupils. Officers from Ty Gwyn, Schools and Ty Trevithick should liaise to establish the most effective technique for sharing / obtaining this attendance information.</p> <p>MANAGEMENT RESPONSE Agreed. Schools will be alerted, on the day, of pupils with unexplained absence. Common Transfer Files or other electronic attendance registers to be shared with schools each Monday to allow schools to accurately update pupils attendance. We will meet with IT / the SIMS team to resolve IT Network and PC issues and determine the best method of data transfer. The Attendance and Wellbeing Service will also be undertaking a review to ensure attendance is being accurately recorded on SIMS.</p>	Implemented
5.1.3	<p>AGREED RECOMMENDATION All staff should receive the appropriate level of Child Protection Training and this should be formally recorded. Consideration should be given to combining the DBS and Child Protection Training lists onto one list for all staff employed in Ty Gwyn / Group / Home Tuition.</p> <p>MANAGEMENT RESPONSE Agreed. The separate DBS and Child Protection Training lists have now been merged into one comprehensive list and accurately reflects all staff / home tutors working for the service. All staff / home tutors have received new / updated Child Protection training Level 1 and all new Home tutors will receive Child Protection training as part of their induction process. A database of all home tutors who have received Child Protection training is now maintained and electronic alerts are automatically generated when renewed training is required within 4 months.</p>	Implemented
5.1.4	<p>AGREED RECOMMENDATION Management should ensure that the Council's Scheme for Payment of Travelling Expenses, Subsistence Allowances and Redeployment Expenses is being complied with by all applicable staff / tutors.</p>	Implemented

Ref. No.	High Priority Audit Recommendations made & Agreed by Management	Agreed Implementation Date
	<p>MANAGEMENT RESPONSE Agreed. All staff have been asked to produce their driving licenses, vehicle insurance details and MOT details to ensure they are safe to drive on work business. All staff that drive the minibus must have D1 on their licenses - all have been checked.</p>	
5.2.2	<p>AGREED RECOMMENDATION The minutes prepared for each Panel meeting should clearly highlight the level (hours and days) of Home Tuition to be delivered to pupils who have been accepted onto the service. If the hours / days are less than the good practice guidelines the reasons should be clearly highlighted. If parents wish to have / accept reduced levels of Home Tuition, formal evidence of the parents' decisions should be retained.</p> <p>MANAGEMENT RESPONSE Agreed. The minutes from each Panel meeting will clearly highlight the level of Home Tuition agreed for each pupil. Any reduction in the level of Home Tuition actually delivered after the Panel's decision will be identified in a Pastoral Support Plan, signed by parents and contributed to by school staff / Head teacher. This practice has been introduced with immediate effect. Copies of these Pastoral Support plans are / will be held centrally.</p>	Implemented

PENTRE PRIMARY SCHOOL

Date: 17/12/2014

INTRODUCTION

The self-evaluation process is designed to help and advise schools to evaluate the effectiveness of their financial and governance arrangements. The process requires Primary Schools to complete a self-evaluation checklist against expected controls.

Pentre Primary School was last subject to an Internal Audit Review in October 2010; this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment relating to the School's financial administration is considered to be effective.

The School have recently revisited their Child Safeguarding Policy and training undertaken by staff at the School was evident. The Evolve system is used to document and authorise all planned trips. Testing identified that all staff had received appropriate clearances before commencing in their post, although a record of their DBS information was not available at the School.

Testing of records maintained in respect of the School Private Fund indicate that the account is well administered. The Treasurer maintains detailed income records and all transactions had an adequate audit trail. The account is subject to regular reconciliation and income is banked without undue delay. All expenditure examined was considered to be of sole benefit to the pupils.

Dinner money is recorded on SIMS and banked promptly, and arrears are managed in line with the Catering Finance School Meal Protocol. Testing identified that free school meals were only provided to those for whom eligibility had been confirmed and retained.

There was a sufficient audit trail available in respect of the School's Purchase Card, with a detailed transaction log maintained and all supporting documentation retained and cross-referenced.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made

YGG ABERCYNON

Date: 07/01/2015

INTRODUCTION

The self-evaluation process is designed to help and advise schools to evaluate the effectiveness of their financial and governance arrangements. The process requires Primary Schools to complete a self-evaluation checklist against expected controls.

YGG Abercynon was last subject to an Internal Audit Review in May 2009; this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective. The four areas which were assessed are considered to be operating effectively with only one low priority finding identified.

The School has a Child Protection Policy in place, and this was last reviewed and ratified by Governors in October 2014. Training undertaken in respect of Safeguarding was evident with certificates present. A record of DBS checks was in place and up to date. The School use the Evolve system to document and authorise all planned trips.

Records in respect of the School Private Fund indicate the account is well administered. The Treasurer maintains detailed records, and all income and expenditure transactions had an adequate audit trail. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils.

Dinner money is updated to SIMS daily and subsequently banked promptly. Details of outstanding monies are reported to Catering Finance on a half termly basis. From review of the meals figures it was noted that there were variances noted between the meals ordered and meals served figures recorded (and agreed) on the weekly PSM3 forms and the weekly electronic Catering Returns. To address this it is recommended that the weekly meal numbers are reviewed more thoroughly to ensure that any variances are identified and numbers are as accurate as possible.

There was a sufficient audit trail in respect of Purchase Card transactions, with records being kept up to date, reconciled and evidence of transactions being reviewed and authorised on the system.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made

YSGOL GYNRADD GYMRAEG GARTH OLWG

Date: 23/12/2014

INTRODUCTION

The self-evaluation process is designed to help and advise schools to evaluate the effectiveness of their financial and governance arrangements. The process requires Primary Schools to complete a self-evaluation checklist against expected controls.

Ysgol Gynradd Gymraeg Garth Olwg was last subject to an Internal Audit Review in June 2010; this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

AUDIT OPINION

Overall, the control environment is considered to be effective with opportunity for improvement.

Records in respect of the School Private Fund indicate that the account is well administered. The Treasurer maintains detailed records with an adequate audit trail of money received for activities such as trips. The account is subject to regular reconciliation and income is banked on a regular basis. Several items of expenditure have been reported as being outside of the scope of the Fund and the Headteacher should ensure that future expenditure from the account is restricted to those activities deemed eligible the School Private Fund Regulations. It should also be ensured that a staff reimbursement which has been duplicated is repaid by the individual concerned and that staff are made aware that the use of personal loyalty cards when making purchases is not permitted.

While the School has a Child Protection Policy in place, it has been over 12 months since it was last reviewed and endorsed by the Governing Body. Training undertaken at the School was evident on an individual basis but the School are advised to develop a central, collated record. Testing identified that all staff had received appropriate clearances before commencing in their post and a record of all their DBS information was retained at the School. The Evolve system is evidently in regular use at the School, but it was noted that two trips that took place in July 2014 had not been recorded.

Dinner money is updated to SIMS and banked on a regular basis, and the School have established an arrears process in conjunction with the half termly reporting process to Catering Finance. Testing identified that free school meals were only provided to those for whom eligibility had been confirmed and retained.

There was a sufficient audit trail available in respect of the School's Purchase Card, with a detailed transaction log maintained and all supporting documentation retained and cross-referenced.

Implementing the recommendations contained in the report will further enhance the current levels of control.

No High Priority Recommendations Made

YSGOL HEN FELIN

Date: 11/12/2014

INTRODUCTION

The purpose of the audit is to help and advise the school in achieving general standards of good practice in financial administration. The audit also aims to provide the school with a framework to evaluate the effectiveness of its financial administration and, where weaknesses are identified, to make appropriate recommendations for corrective action.

Spending through schools accounts for a significant proportion of the Council's expenditure (£7.2m for Special Schools in 2014/15).

Ysgol Hen Felin was previously subject to an Internal Audit review in September 2009.

AUDIT OPINION

Overall, the control environment at the school is considered to be effective with opportunity for improvement.

The school has a Child Protection Policy in place that is reviewed annually. A registration list was held at the school of staff who attended the last Safeguarding training session, however it could be seen from this list that a number of staff did not attend and had not attended any other training since then. There was also no record at the school of staff who had been DBS checked (Note, Internal Audit has confirmed all staff working at the school have a DBS check). The school use the Evolve system to record and authorise planned trips.

The control environment in respect of the School Private Fund is considered insufficient and requires improvement. At the time of the fieldwork, the Annual Certificate and subsidiary records for the last academic year had not been presented to the Governing Body; income is not being recorded as and when it is received; delays were identified in banking money and inappropriate expenditure was identified (low value).

Dinner money is recorded promptly onto SIMS, however delays were found in banking the income collected.

There are two purchase cards in use at the school. Both cards are used frequently and there were receipts / confirmation present for each transaction examined during the sample period. However it was found that the transaction log for the training centre's purchase card is completed in retrospect. Travel and accommodation had been booked for the Headteacher and Deputy Headteacher to attend conferences; however as well as retaining receipts as evidence of the cost of travel / accommodations, evidence should also be retained of the conferences.

The school are still using the old method of ordering via a manual order book; however the school clerk stated that they will be using SIMS FMS in the coming months. Housekeeping issues were identified when examining a sample of purchase orders i.e. orders were raised after receipt of goods and a delay in passing an invoice for payment.

Implementing the recommendations contained in the report will improve the control environment currently in place at the school.

No High Priority Recommendations Made

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