

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MUNICIPAL YEAR 2015/16

AUDIT COMMITTEE

7th September 2015

Item No. 7
Finalised Audit Assignments 2015/16

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 the period 11th April 2015 and 17th August 2015.

2. RECOMMENDATIONS

It is recommended that Members review the information contained within the report and:

- 2.1 Seek clarity and explanation where there are areas of concern.
- 2.2 Identify further action to be taken where deemed necessary.

3. BACKGROUND

- 3.1 In line with agreed procedures, I attach at **Appendix 1** a summary of audit assignments completed between the period of the 11th April 2015 and the 17th August 2015.
- 3.2 I have provided Members with the Introduction, Scope & Objectives, Auditor's stated opinion along with a summary of all recommendations made for each audit review completed to final report stage within the stated period. This report also incorporates finalised audit assignments from the 2014/15 Internal Audit Plan (these being highlighted at point 3.3).
- 3.3 Members will note that 17 audit assignments have been finalised in the period. In summary, these are:

EDUCATION & LIFELONG LEARNING

- CRAIG YR HESG PRIMARY SCHOOL
- DOLAU PRIMARY SCHOOL
- LLANHARAN PRIMARY SCHOOL
- PENYGRAIG INFANTS SCHOOL
- PENYGRAIG JUNIOR SCHOOL
- YNYSHIR PRIMARY SCHOOL
- MAERDY COMMUNITY PRIMARY SCHOOL
- YGG BODRINGALLT
- TYLORSTOWN PRIMARY SCHOOL
- PENYRENGLYN COMMUNITY PRIMARY SCHOOL
- EDUCATION OTHER THAN AT SCHOOL
- YSGOL GYFUN RHYDYWAUN
- YGG TONYREFAIL

CORPORATE & FRONTLINE SERVICES

- PENSIONS (2014/15 AUDIT ASSIGNMENT)
- TAXATION (2014/15 AUDIT ASSIGNMENT)

CHIEF EXECUTIVE'S AND CORPORATE & FRONTLINE SERVICES

- RECRUITMENT CHECKS & AMENDMENTS TO PAYMENT (2014/15 AUDIT ASSIGNMENT)

COMMUNITY & CHILDREN'S SERVICES

- COMMUNITIES FIRST (2014/15 AUDIT ASSIGNMENT)

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 2015/16.

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

7th September 2015

Report of the Group Director, Corporate & Frontline Services

Author: Marc Crumbie (Operational Audit Manager).

Item	File Ref:
7. Finalised Audit Assignments 2015/16	IA / MC

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FINALISED AUDIT ASSIGNMENTS

EDUCATION & LIFELONG LEARNING
AUDIT NAME : CRAIG YR HESG PRIMARY SCHOOL
DATE FINAL REPORT WAS ISSUED : 23RD JUNE 2015
<p>INTRODUCTION</p> <p>The self-evaluation process is designed to help and advise Headteachers and support staff to evaluate the effectiveness of their financial and governance arrangements. The process requires primary schools to complete a self-evaluation checklist against expected controls.</p> <p>Craig yr Hesg Primary School was last subject to an internal Audit Review in June 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.</p>
<p>SCOPE & OBJECTIVES</p> <p>The checklist for chequebook Primary Schools comprises of 155 standards that need to be reviewed to assess their applicability to individual schools. Audit testing was carried out on a sample of standards applicable to the school, using transactions processed during the financial years 2014/15 and 2015/16.</p> <p>The review of Craig yr Hesg Primary School assessed the file of evidence compiled at the school to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.</p>
<p>AUDIT OPINION</p> <p>Overall, the control environment at the School is considered to be effective.</p> <p>The School Private Fund is well administered, with records that provide a detailed audit trail for all income and expenditure transactions. The account is regularly reconciled and testing did not identify any undue delays in bankings. All expenditure examined was considered to be of sole benefit to the pupils. The report recommends that the School update their panel of signatories to three members of staff, to avoid any delays in issuing payment where one of the individuals currently authorised is not available.</p> <p>The maintenance of the budget on SIMS was good, with the system accurately reflecting all income and expenditure transactions promptly. Implementing a record of daily income for the budget, to document the initial receipt of income into the School, will enhance the system already in place.</p> <p>Dinner Money is updated to SIMS and banked on a regular basis. Testing confirmed that free school meals were only provided to those for whom eligibility has been confirmed and retained, and that the School have established arrears procedures in line with those defined by Catering Finance.</p> <p>The School have a Child Protection policy which, having last been updated in June 2014, is shortly planned for review. Training undertaken in respect of</p>

Safeguarding 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. The Evolve system is used to document all School trips, but several trips examined were not evidently authorised in line with the Educational Visits policy.

Examination of the Purchase Card system identified that there was a sufficient audit trail in respect of transactions, and the records kept were evidently reconciled upon receipt of the bank statements. SIMS was promptly updated to reflect the expenditure incurred. The Purchasing system was similarly well administered, with evident authorisation of orders when raised, to the subsequent cheque payment issued upon receipt of the invoice. The report recommends that when the School review their current photocopying lease during the Autumn Term 2015, they should liaise with Education Finance in order to secure their approval before committing to a new agreement.

Implementing the report recommendations will further enhance the control environment.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>While there were certificates retained on an individual basis and attendance information was available from the most recent School-wide session, there was no central, collated record of all training undertaken.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection policy to allow the assessment of training requirements to coincide with the policy's annual review.</p>
<p>5.1.2</p> <p>Medium</p>	<p>Table 1 of the 'Planning and Approval of Educational Visits 2013/14' guidelines advises that where visits are residential, abroad or involve demanding environments and/or adventurous activities, they must be <i>'planned and approved using the Evolve system at least 28 days before the visit'</i>.</p> <p>One sampled School trip recorded on the Evolve system had not been submitted to the Local Authority's Outdoor Education Advisor as required.</p>	<p>The School should remind all staff that trip information should be collated on a timely basis to allow the EVC to approve the trip and submit to the Local Authority for approval within the procedure timescales.</p> <p>All other trips on the system (i.e. non adventurous, residential etc) should be evidently authorised by the EVC/Headteacher in advance of the trip taking place.</p>

	<p><u>Wigfach</u></p> <ul style="list-style-type: none"> • Trip took place 9th July 2014 – 11th July 2014. • Submitted to the EVC by LL on the 8th July 2014 • No Head/EVC or Local Authority approval <p>While a further two trips (which did not require Local Authority approval) had been recorded in advance on the system, they also lacked authorisation by the EVC/Headteacher:</p> <ul style="list-style-type: none"> • Rumble in the Jungle submitted by JRJ on the 26th June 2014 • Bowlplex submitted by JRJ on the 26th June 2014 	
5.2.1 Low	<p>Discussions established that there are currently only two members of staff authorised to sign cheques for the Private Fund account.</p>	<p>The School should seek to identify a new third signatory and update the bank mandate as required.</p>
5.3.1 Low	<p>Income received in respect of the School Budget is recorded directly onto SIMS, with a receipt printed off and attached to the relevant remittance/correspondence.</p> <p>While testing identified that bankings (and the update of SIMS) take place on a regular basis, the School do not currently maintain a record of daily income to initially record any monies upon receipt.</p>	<p>A record of daily income should be maintained of all income received at the School. This record should fulfil a 'receipting' function (i.e. completed as money is received) then ruled off and totalled when a banking is undertaken.</p>
5.4.1 Low	<p>The School have a lease in respect of their photocopier which will be due for renewal in November 2015.</p> <p>It was not evident whether approval had been sought from Education Finance in respect of this agreement.</p>	<p>Should the School decide to take out any leases in future, authorisation should be obtained from Education Finance before entering into any formal agreement.</p>

AUDIT NAME : DOLAU PRIMARY

DATE FINAL REPORT WAS ISSUED : 4TH JUNE 2015

INTRODUCTION

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

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

SCOPE & OBJECTIVES

The checklist for chequebook primary schools comprises of 155 standards that need to be reviewed to assess their applicability to individual schools. Audit testing was carried out on a sample of standards applicable to the school, using transactions processed during the financial years 2014/15 and 2015/16.

The review of Dolau Primary School assessed the file of evidence compiled at the school to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The School Private Fund is well administered, with detailed records maintained for each of the classes that document all income received from pupils and the prompt transfer of this money to the office for collation and banking. The ledger for the account is sufficiently detailed to allow regular reconciliation and there were no undue delays in the depositing of income at the bank. Payments issued from the account were recorded in a timely manner and were adequately receipted. Testing identified a number of transfers between the Fund and Budget Account, which were for the most part, legitimate reimbursements for Purchase Card payments for Fund activities. Examples of transfers in respect of expenditure linked to donations and/or grants were less transparent, with some commitments made prior to receipt of anticipated funds. This increases the risk of the Fund subsidising activities which ultimately may lay outside of the scope of the account. The School are advised to retain donations and grants in the School Budget in future, to allow transparency in recording and to assist in the VAT recovery of purchases that only transfers from the Fund can achieve.

The School's dinner money system is administered wholly by the Catering Staff. The Cook is responsible for recording pupil contributions and preparing the income for banking. All monies are collected by a security firm.

The School have a Child Protection Policy, which is also supplemented by an annually reviewed Estyn self assessment document. While the policy was evidently updated in September 2014, the next planned review was documented as March 2016, which is not in line with the statutory requirement for annual review. Training information was available at the School on an individual basis, but the School are advised to develop a central, collated record of all achievements to date. Testing identified that all staff were in receipt of appropriate clearances before commencing in their post and a record of DBS information was in place at the School. While the School have established trip procedures and an Educational Visits Co-ordinator is in place, the Evolve

system is not being used to document all off-site visits. There were several trips noted that were not evidently authorised in line with the Educational Visits Policy.

Examination of the Purchase Card system identified that there was a sufficient audit trail in respect of Purchase Card transactions and the records kept were evidently reconciled upon receipt of the bank statements. SIMS was promptly updated to reflect the expenditure incurred. The report highlights two examples where the Purchase Card was used to administer payments on behalf of staff for a group function and a leaving gift. Income was collected and banked in respect of these purchases, but a deficit of £23.29 was noted. The report recommends that this practice ceases with immediate effect and that the budget is reimbursed.

The Purchasing system was well administered, with evident authorisation of orders when raised, to the subsequent cheque payment issued upon receipt of the invoice. All documentation had been subject to the necessary checks and endorsement. The School are due to imminently review their current photocopying lease and it is recommended that they liaise with Education Finance in order to secure their approval before committing to a new agreement.

The maintenance of the Budget on SIMS was good, and the system accurately reflects all income due and expenditure incurred. Virement records have been established to document any amendments required through the year and which demonstrate the Headteacher's approval.

Testing also identified that the School have established controls in respect of their IT and Data Security arrangements, and that they have registered with the Information Commissioner as required. The report recommends that the School review their IT Inventory to ensure that it reflects the full extent of equipment held on the premises.

Implementation of the recommendations detailed will assist the Headteacher in enhancing the current levels of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies should...have effective child protection policies and procedures in place that are reviewed at least annually'</i></p> <p>The School have a Child Protection policy in place which is supplemented by a Safeguarding Policy and an Estyn Self Evaluation document which is completed annually.</p> <p>However examination identified that following the most recent review dated August/September 2014; the planned date for future review is March 2016.</p>	<p>The School and its Governing Body should ensure that the Child Protection policy is subject to review and endorsement on an annual basis.</p>

<p>5.1.2</p> <p>Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>While there were certificates retained on an individual basis, attendance information in respect of a School wide level 1 training session on February 3rd 2014 was not available, and there was no central, collated record of all training undertaken.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection policy to allow the assessment of training requirements to coincide with the policy's annual review.</p>
<p>5.1.3</p> <p>Medium</p>	<p>Examination of the Evolve system identified that it is not being regularly used to document offsite visits.</p> <p>Discussions established that only those trips that have been deemed as adventurous are being input in order to facilitate the LEA approval required before the trip commences.</p> <p>The School have only recorded two trips on the system (for trips in July 2011 and June 2013) as they were adventurous in nature and so required LEA approval before the trips commenced. On both occasions, the trips were not correctly submitted to the Strategic Advisor for Outdoor Education and so formal approval was not obtained via the system.</p> <p>Furthermore, there are adventurous/residential trips such as Llangrannog, which took place in Autumn 2014 and the annual PGL trip which have not been recorded and therefore the necessary authorisation was not evidently obtained.</p>	<p>The EVC co-ordinator should ensure that all trips are recorded on the Evolve system.</p> <p>Trip information should be collated on a timely basis to allow the EVC to approve the trip and submit to the Local Authority for approval within the procedure timescales.</p>
<p>5.2.1</p> <p>Low</p>	<p>Examination of the bank mandate in respect of the School Private Fund identified that one of the panel of signatories (AR) is named as an auditor of the account in the most recent Annual Certificate.</p>	<p>The School should seek to amend the panel of signatories for the School Private Fund or alternatively identify an auditor to replace the member of staff who performs this role (i.e. AR).</p>
<p>5.2.2</p>	<p>Examination of expenditure incurred via the School Private Fund since September</p>	<p>In accordance with the School Private Fund Regulations</p>

<p>Medium</p>	<p>2014 identified several purchases not considered to be within the intended scope of the account:</p> <p><u>Flowers as gifts</u> 102023 £39.11 102047 £15 x 2 102070 £15 102074 £30</p> <p><u>Supply and Fit of Fencing in the School Yard</u> Cheque 102072 was paid to A.W for £1,560 on the 16th April.</p> <p><u>Whiteboards</u> A sum of £3000 was paid into the School Budget (via cheque 102044) as a contribution towards an order with Comcen for whiteboards totalling £8263.20.</p> <p>Discussions at the School established that the Fund is in regular receipt of donations from organisations such as the PTA, which will help fund such purchases; however it was acknowledged that these may not always be received in advance of a commitment being made. It was not evident from the Fund records whether sufficient monies had been received in respect of such purchases or whether there had been a level of subsidy – short term or permanent – for them.</p> <p>Testing also identified multiple transfers between the Fund and Budget, to cover the net cost of purchases made via the Purchase Card. While these were for activities that were deemed appropriate from the account, several (such as those in respect of the Sensory Garden) were funded with grant monies that could have been placed within the School Budget in the first instance.</p>	<p>(Appendix 1), the activities detailed did not fall within the scope of the Fund and therefore alternative arrangements should be made to process these transactions in future.</p> <p>Section 7.6 of the School Private Fund Regulations permits the donation of Fund monies to the School budget account to meet the net cost of purchases (subject to several conditions) such as ‘educational treats’ for the pupils. However the School should ensure the transfer of monies only takes place under these circumstances, to allow transparency in the ‘donation’ and resulting expenditure.</p> <p>Given that the School are in regular receipt of donations and/or grant funding (for facilities such as the Sensory Garden), provision in the SIMS system should be established to account for these transactions and to limit the amount of transfers between Fund and Budget that currently occur. This will limit the occasions on which a cheque is required to reimburse the net costs of Purchase Card payments made.</p>
<p>5.2.3 Low</p>	<p>Cheque 102072 for the supply and installation of fencing (detailed in 5.2.2) was payment for works undertaken that are CIS (Construction Industry Scheme) applicable, and as such should not have been paid directly by the School.</p>	<p>The School should familiarise themselves with the CIS Scheme to ensure that all future CIS applicable invoices are correctly processed.</p>
<p>5.3.1 Medium</p>	<p>Examination of the School’s Purchase Card transaction listing identified several purchases processed on behalf of staff at the School:</p>	<p>The School Budget Account should not be used to process transactions in respect of Staff activities and collections.</p>

	<ul style="list-style-type: none"> 15th July 2014 – Buyagift Plc £170.99 for a leaving gift for a member of Staff. The School advised that a sum of £161.70 was collected and banked in respect of this on the 14th July 2014. 11th December 2014 – Holiday Inn £814.00 towards payment for Christmas Function. The School advised that a sum of £800 was collected and banked in respect of this on the 1st October 2014. 	The School should ensure that the Budget account is reimbursed to account for the subsidy identified.
5.3.2 Medium	<p>Invoices retained in respect of several sampled transactions identified occasions where the delivery address for goods were recorded as the home address of the members of staff, rather than direct to the School premises:</p> <ul style="list-style-type: none"> 10th November – Amazon for LED lights (£137.25) delivered to GE 17th November – Amazon for extension lead (£13.08) delivered to GE. 27th November – Multiple payments via Paypal for Christmas candle activity (wax, dye, fragrance) (£ £4.70, £19.60, £42.98) delivered to AH. <p>Two occasions were also noted where a personal clubcard was used – and points accrued – on purchases made with the card:</p> <ul style="list-style-type: none"> Tesco 15th December £57.35 Tesco 5th January £111.44 	<p>All goods ordered via the School's Purchase Card should be delivered to the School premises.</p> <p>The Headteacher should advise all School staff that the use of personal loyalty cards when making purchases on behalf of the School is not permitted.</p>
5.4.1 Low	<p>Discussions at the School established that there is no up-to-date record of all I.T equipment on site.</p>	<p>A full inventory review should be undertaken and all new equipment recorded as soon as possible. Thereafter an annual review should be carried out to ensure that the record is accurate and up-to-date.</p> <p>Training – if required – should be sought on the use of the Inventory module on SIMS.</p>
5.5.1 Low	<p>The School have a lease in respect of their photocopiers which will be due for renewal shortly.</p> <p>It was not evident whether approval had been sought from Education Finance in respect of this agreement.</p>	<p>Should the School decide to take out any leases in future, authorisation should be obtained from Education Finance before entering into any formal agreement.</p>

AUDIT NAME : LLANHARAN PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED : 5TH JUNE 2015

INTRODUCTION

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

Llanharan Primary School was last subject to an Internal Audit Review in November 2010 with a follow up visit in September 2011. This is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-cheque book primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial year 2015/16 and 2014/15.

The review of Llanharan Primary School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It also aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

Overall, the control environment at the School is considered to be effective. The five 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 has recently been reviewed and will be re-presented to the full Governing Body for ratification in their summer term meeting on the 4th June 2015. Training undertaken in respect of Safeguarding was evident with certificates present. A record of DBS checks was in place, and up to date, although two former members of staff now need to be removed from the school's list. 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 - however, an issue was identified where income had not been recorded on both the manual registers and SIMS system which could result in inaccurate pupil balances. Details of outstanding monies are reported to Catering Finance on a half termly basis.

There was a sufficient audit trail in respect of Purchase Card transactions, the records are kept up to date and were evidently reconciled to the Barclaycard system with transactions (with the exception of most recent transactions) being reviewed and authorised on the system.

Pupil numbers were reviewed and no discrepancies were noted in the latest return completed in January 2015 (although there have been new starters and leavers since this date).

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Review of school meals income records for January 2015 revealed that the manual dinner registers did not always correspond to the amounts on the dinner money system in SIMS.</p> <p>There were numerous occasions whereby the school clerk had received income and entered it onto the SIMS system but had not updated the manual dinner registers (and vice versa) – hence the reasoning behind the variances.</p> <p>While this may have an impact on the pupil balance figures to date (arrears) - due to the time that has elapsed it would be difficult to identify where the errors are.</p>	<p>The School Clerk needs to ensure that she updates her records both manual and electronic for all school meal income received.</p> <p>Consideration should be given to a regular reconciliation undertaken between these documents to ensure that no anomalies are identified.</p>

AUDIT NAME : PENYGRAIG INFANTS SCHOOL

DATE FINAL REPORT WAS ISSUED : 10TH JUNE 2015

INTRODUCTION

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

Penygraig Infants School was last subject to an Internal Audit Review in April 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School using transactions processed during financial year 2014/15 and 2015/16.

The review of Penygraig Infants School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

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. The policy, which was dated January 2014, should be updated during the Headteacher's planned review in the Summer Term. Training undertaken at the School was generally evidenced via certificates on an individual basis, but the report recommends that a central, collated record is developed. As there are several members of staff who were not recorded on the most recent level 1 training session held, the Headteacher should ensure that they are equipped appropriately in respect of procedures, as soon as possible. Testing identified that all staff had received appropriate clearances before commencing in their post.

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. Testing identified that due to the incorrect coding of the School's bank paying in slips, dinner money income had not been accounted for correctly in the Council's ledger. Catering Finance have been notified of this and have now arranged correct banking stationery for the School, and a journal transfer to account for this error will be undertaken.

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.

The School Private Fund account is subject to regular reconciliation and no undue delays in banking were noted. All expenditure examined was considered to be of sole benefit to the pupils and was adequately receipted. The report recommends that the current practice of using a daily income record to capture

private fund as well as Dinner Money income should cease. This hinders the receipting function of the record and the ability to reconcile to monies subsequently banked. A discrepancy of £93 between the daily income record and a subsidiary (pupil fruit money) record may be due, in part, to this combination of monies recorded.
Implementation of the recommendations contained in the report will enhance the current levels of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
5.1.1 Low	While a record of daily income has been established to document all money received in respect of the School Private Fund, testing identified that it is also being used to record dinner money income.	The record of daily income should be solely used as a receipting function for the School Private Fund, which can be ruled off and totalled when banking is undertaken.
5.1.2 Medium	<p>Examination of the School Private Fund records in respect of fruit money collected between January and March 2015 identified the following anomaly:</p> <ul style="list-style-type: none"> • £393 on the termly fruit summary (supported by class lists of contributions made) • £486 on the record of daily income for the same period • £393 banked <p>Difference of £93.</p> <p>All records were reviewed during fieldwork, including reconciling dinner money (see 5.1.1) recorded. This exercise identified a sum of £25.75 recorded as dinner money which was not recorded as received via the SIMS dinner records and the amounts subsequently banked.</p>	<p>The School Private Fund records should be scrutinised to ascertain whether all income received has been accurately recorded.</p> <p>As in 5.1.1, the practice of recording all income received on the Private Fund records should now cease, to reduce the likelihood of errors in recording and/or narrative, and facilitate the 'ruling off' and reconciliation of bankings.</p>
5.2.1 Medium	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies should...have effective child protection policies and procedures in place that are reviewed at least annually'</i></p> <p>The School have a Child Protection policy in place, which was most recently signed off by the Chair of Governors on the 8th January 2014. The Headteacher advised that the policy is planned for review during the current Summer Term.</p>	Following the planned review of the Child Protection policy, the document should be presented to the Governing Body for agreement. Subsequent reviews should be scheduled and minuted on an annual basis thereafter.

<p>5.2.2</p> <p>Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>While there were certificates retained on an individual basis, and an attendance list was available from the most recent School-wide session in November 2013, there was no central, collated record of all training undertaken.</p> <p>Furthermore, it is not evident whether six members of staff who were not in attendance that day, as well as two who have commenced in their post since then, have received their level 1 training.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection policy to allow the assessment of training requirements to coincide with the policy's annual review.</p> <p>It should be ensured that the staff members identified receive level 1 training as soon as possible.</p>
<p>5.2.3</p> <p>Low</p>	<p>School trips are generally recorded on Evolve by the Head of School, with the Headteacher acting as authoriser.</p> <p>Examination of a sample of trips recorded on the Evolve system identified the following:</p> <p><u>Plantasia</u> Created and submitted by EVC 19/03/2015 Trip took place 26/03/2015 Authorised by Headteacher 14/04/2015</p> <p><u>Folly Farm</u> Created and submitted by EVC 20/06/2014 Trip took place 3/07/2014 Authorised by Headteacher 14/04/2015.</p> <p>While it is accepted that each of the stages above were recorded as being completed by the Deputy Head as advised, the authorisation of both trips is documented as having taken place retrospectively.</p>	<p>It should be ensured that the authorisation of school trips via Evolve is evident prior to the visit taking place.</p> <p>Should the EVC (Deputy Head) require personalised sign-in information to use the Evolve system, then the School should liaise with the Strategic Advisor, Outdoor Education.</p>

<p>5.3.1</p> <p>Low</p>	<p>Reconciliation of the dinner money received and banked at the School, to the Council's Financial ledger identified that the School's twice weekly bankings have not been deposited to their respective detail code since December 2014.</p> <p>Examination of the current bank paying in book identified that the pre-printed code on the book is actually that of Penygraig Junior School.</p> <p>Catering Finance have been advised of the issue, a replacement book has been requested and they will liaise with the School to undertake the necessary journals to correct this.</p>	<p>As per the advice of Catering Finance, the current paying in book should be used to bank income until a correct replacement has been issued.</p> <p>The School should provide copies of their authorised banking returns to Catering Finance to quantify the amounts banked since the book was started in December 2014, to facilitate a journal transfer to correct the coding error.</p>
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AUDIT NAME : PENYGRAIG JUNIOR SCHOOL

DATE FINAL REPORT WAS ISSUED : 26TH JUNE 2015

INTRODUCTION

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

Penygraig Junior School was last subject to an Internal Audit Review in September 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial years 2014/15 and 2015/16.

The review of Penygraig Junior School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The School have a Child Protection Policy, which having last been updated in the Summer Term 2014, is shortly planned for review. Training undertaken by Staff in respect of Safeguarding was documented via certificates and attendance records, but the School are advised to develop a central, collated record. All staff were identified as having the appropriate clearances before commencing in their post. A record of DBS information was available at the School but it needs to be updated to reflect several more recent additions to the Staff.

Testing of the School Private Fund identified that overall, the account is well managed. Sufficient audit trails were evident for income and expenditure transactions and purchases examined were of sole benefit to the pupils. The account is reconciled on a monthly basis and income was banked with no undue delay. The issues noted in this report relate to a delay in submitting the last academic year's accounts and annual certificate to Education Finance, as well as an occasion where income was used to refund two trip payments, rather than being banked intact.

The purchase card records maintained at the School were detailed and updated promptly. Supporting documentation was retained and cross referenced.

Dinner money is updated to SIMS and banked promptly, and the School manage their arrears in line with the Catering Finance School Meal Protocol. Testing identified that free school meals were only provided to those for whom eligibility has been confirmed and retained. One report recommendation relates to School Dinner Money and is in respect of a the lack of an evident independent check; as such, the weekly banking returns should be examined and certified by the Headteacher to demonstrate this in future.

Implementation of the recommendations contained in the report will further enhance the current levels of control.		
SUMMARY OF RECOMMENDATIONS:		
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
5.1.1 Low	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>While there were certificates retained on an individual basis, and an attendance list was available from the most recent School-wide session in March 2015, there was no central, collated record of all training undertaken.</p> <p>Discussions also established that difficulty had been experienced in getting supervisory assistants to attend the School wide session, even though payment for the time taken was offered. As a result, there are several members of staff who have not received this level of training.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection policy to allow the assessment of training requirements to coincide with the policy's annual review.</p> <p>Further training should be arranged to help ensure that all Staff are in receipt of the necessary Level 1 training.</p>
5.1.2 Low	<p>There was a record held at the School in respect of staff DBS checks and dates, however three members of staff who have joined the School since it was devised are not recorded.</p>	<p>The DBS record at the School should be updated with check details of all current staff.</p> <p>The record should be maintained on an ongoing basis as and when staff join/leave the School.</p>
5.1.3 Low	<p>Table 1 of the 'Planning and Approval of Educational Visits 2013/14' guidelines advises that where visits are residential, abroad or involve demanding environments and/or adventurous activities, they must be <i>'planned and approved using the Evolve system at least 28 days before the visit'</i>.</p> <p>One sampled School trip recorded on the Evolve system identified that it had not been submitted to the Local Authority's Outdoor Education Advisor in line with this</p>	<p>The School should remind all staff that trip information should be collated on a timely basis to allow the EVC to approve the trip and submit to the Local Authority for approval within the procedure timescales.</p>

	<p>prescribed timescale.</p> <p>Manor Adventure – submitted by the EVC on the 10th September 2014, 23 days before the trip commenced on the 3rd October 2014. Local Authority approval was received as required on the 11th September 2014.</p>	
<p>5.2.1</p> <p>Low</p>	<p>Section 2.3 of the School Private Fund Regulations states that:</p> <p><i>'The Headteacher must ensure that the Annual Certificate and Summary of Accounts is presented to the Governing Body as soon as possible after the end of the school year...the submission of the Annual Certificate and the Summary of Accounts must be sent to the Education Finance Team in Bronwydd House by the 31st December.'</i></p> <p>The most recent annual certificate at the School, in respect of the 2013/14 academic year was not signed off until the 23rd April 2015.</p>	<p>It should be ensured that the Statement of Accounts and Annual Certificate are prepared and presented to the Governing Body as soon as possible after the end of the school year. Documentation should be submitted to Education Finance as per the prescribed deadline.</p>
<p>5.2.2</p> <p>Low</p>	<p>Examination of income records during the sample period September to December 2014 identified one instance where income received was not banked intact:</p> <ul style="list-style-type: none"> • Income collected between 4th and 12th September = £1210.75. <ul style="list-style-type: none"> ○ Amount banked = £1183.25 due to two cash refunds to parents of £13.75 (£27.50 in total). <p>It should be noted that the records were wholly transparent, with full details of the deductions endorsed on the records.</p>	<p>All income collected should be banked intact in order that income can be fully traced and reconciled to bankings.</p> <p>In future, if it is necessary to make small cash payments, a cheque should be drawn for cash to finance a cash float. A separate record of all transactions should be maintained with a 'cash in hand balance' and any receipts retained. Alternatively, the School can issue the payment via cheque.</p>
<p>5.3.1</p> <p>Low</p>	<p>The income records maintained in respect of School dinner money are not subject to any independent check.</p>	<p>A person independent of the process of recording income received (e.g. the Headteacher) should review the central records, compare the entries to subsidiary records and certify that this has taken place on the Authorised Banking reports.</p>

AUDIT NAME : YNYSHIR PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED : 10TH JUNE 2015

INTRODUCTION

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

Ynyshir Primary School was last subject to an Internal Audit Review in February 2012 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial years 2014/15 and 2015/16.

The review of Ynyshir Primary School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The School have a Child Protection Policy which has been recently reviewed. All staff had received appropriate clearances before commencing in their post and a record of all DBS information was available at the School. Training undertaken by Staff in respect of Safeguarding was documented, but the School are advised to develop a central, collated record. The Evolve system is used to document all School trips, but several examined were not evidently authorised in line with the Educational Visits policy. One trip, which involved adventurous activities, had been incorrectly categorised and so was not submitted for Local Authority approval as required.

The School Private Fund income records were sufficiently detailed to provide a clear audit trail to the amounts subsequently banked. No undue delays in depositing money at the bank were evident and all expenditure examined was considered to be of sole benefit to the pupils. Notwithstanding this, it was identified that the Treasurer currently lacks an up-to-date record of all Fund activity in the absence of a ledger. The report recommends that this is maintained on an ongoing basis, rather than being completed at year end. Recent use of a debit card to make purchases (which were deemed within the scope of the Fund) from the account should cease with immediate effect.

Dinner Money is updated to the SIMS system and banked on a regular basis. Arrears procedures have been developed at the School in line with those defined by Catering Finance and testing confirmed that free school meals are only provided to those for whom eligibility has been received 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 report recommendations will enhance the controls already in place.		
SUMMARY OF RECOMMENDATIONS:		
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
5.1.1 Medium	<p>While a detailed income record is maintained of all monies received and banked into the Private Fund, this information is not collated in an electronic ledger until the end of each academic year.</p> <p>As a result, there is no central record of all Fund activity, or the expenditure that has been incurred.</p> <p>Notwithstanding this, reconciliation to bank statements was evident, with the Treasurer using the bank paying in book and chequebook to perform this monthly check.</p>	<p>The ledger should be updated immediately after income has been deposited at the bank and any cheques have been issued. Completion of the ledger will allow reconciliation to take place upon receipt of the bank statements.</p> <p>Appendix 2, section 1.2 of the School Private Fund Regulations advise that <i>'at the end of each month, the ledger must be printed, reconciled to the bank statements, signed and dated to evidence the reconciliation'</i></p>
5.1.2 Medium	<p>Section 3.3 of the School Private Fund Regulations states that:</p> <p><i>'All payments must be made by cheque, to be signed by at least two people, who are designated as cheque signatories'</i></p> <p>Examination of the School Private Fund records identified the use of a debit card to make purchases from the account:</p> <p>Makro £141.55 Poundstretcher £156</p> <p>The School confirmed that the card has only been used on this occasion (on the 19th March 2015 for Easter Egg purchases for the pupils) as they only recently acquired the card.</p>	<p>The debit card for the School Private Fund account should not be used to make any further purchases. All payments must be financed by cheques that have been signed by at least two of the authorised panel of signatories.</p>
5.1.3 Low	<p>The School did not have a copy of the bank mandate for the Private Fund account.</p>	<p>An up-to-date copy of the bank mandate should be obtained and retained at the School.</p>
5.1.4	<p>During the sample period January – April 2015, several examples of unreceipted expenditure were noted:</p>	<p>All payments (cheque and cash) should be supported by a receipt / voucher. Where a receipt / voucher cannot be obtained then the</p>

<p>Medium</p>	<ul style="list-style-type: none"> • 185 - £365 RCT for School Trip purchase card reimbursement • 189 - £101.50 WR Bishop • 200 - £600 RCT for Estyn payment provided for supply cover for a member of staff who is an inspector • £156 - Poundstretcher purchase made via a Fund debit card (see 5.1.2) 	<p>record of expenditure without a receipt (PF2) form should be completed and signed by two members of staff as evidence of the amount involved.</p>
<p>5.2.1 Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies should...have effective child protection policies and procedures in place that are reviewed at least annually'</i></p> <p>The School have a Child Protection Policy in place, which was reviewed prior to the recent Estyn Inspection in March 2015. Examination of the document identified a review date of Autumn 2010 – i.e. it had not been updated to reflect the work undertaken recently.</p>	<p>It should be ensured that the Child Protection Policy is updated to demonstrate that it has been subject to annual review. The previous review and next planned review dates should be recorded accurately.</p>
<p>5.2.2 Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>While there were certificates retained on an individual basis and attendance information was available from the most recent School-wide session held in November 2014, there was no central, collated record of all training undertaken.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection Policy to allow the assessment of training requirements to coincide with the policy's annual review.</p>
<p>5.2.3 Medium</p>	<p>Table 1 of the 'Planning and Approval of Educational Visit 2013/14' guidelines advises that where visits are residential, abroad or involve adventurous activities, they must be <i>'planned and approved using the Evolve system at least 28 days before the visit.'</i></p>	<p>The School should remind all staff that trip information should be collated on a timely basis, and is categorised correctly to allow the EVC to approve the trip and submit to the Local Authority for approval within the procedure timescales.</p>

	<p>One sampled School trip recorded on the Evolve system had not been submitted to the Local Authority's Outdoor Education Advisor as required:</p> <p><u>Manor Park</u></p> <p>Although the trip was submitted to the EVC well within the designated timescales (3rd February for the trip planned on 23rd-25th March), it was not categorised as 'Adventurous' and therefore was not sent to the Strategic Advisor for Outdoor Education to approve on behalf of the Local Authority.</p> <p>Furthermore, it was not evidently approved by the School EVC/Headteacher.</p> <p>While a further two trips (which did not require Local Authority approval) had been recorded in advance on the system, they also lacked authorisation by the EVC/Headteacher:</p> <ul style="list-style-type: none"> • Caerleon submitted on the 14th January • Llanciach Fawr submitted on the 19th January 	<p>All other trips on the system (i.e. not adventurous or residential etc) should be evidently authorised by the EVC/Headteacher in advance of the trip taking place.</p>
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AUDIT NAME : MAERDY COMMUNITY PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED : 05/06/2015

INTRODUCTION

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

Maerdy Primary School was last subject to an Internal Audit Review in January 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial years 2014/15 and 2015/16.

The review of Maerdy Community Primary School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and to conclude on the adequacy and effectiveness of the controls in operation. It aimed to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The school has a Child Protection Policy which is currently being updated due to the new Multi Agency Safeguarding Hub (MASH) that was launched recently. All staff at the school have appropriate DBS checks. There was a record at the school of staff DBS information; however it was out of date.

Level 1 safeguarding training was provided to all staff in 2011. The Headteacher stated that new staff at the school subsequent to that date were provided with Level 1 training by the Headteacher as part of the induction process; however no record of this was maintained. In addition, whilst the Headteacher, Deputy Headteacher and Assistant Headteacher are all trained to a Level 3, evidence of training could only be located for the Headteacher.

Evolve is not being used to record all educational visits. Only 6 visits had been recorded on Evolve since October 2012. The Headteacher is the Educational Visits Coordinator (EVC); however only the Headteacher currently uses Evolve and is therefore creating visits on the system and approving them. Staff at the school should be trained on using Evolve to ensure that the Headteacher (i.e. EVC) is only approving visits.

Minor variances were identified between some dates and amounts of School Private Fund income recorded on the record of daily income, ledger and subsequently banked. The annual certificate was not returned to Education Finance by the required date. Whilst there were no issues in terms of the nature of the expenditure examined, 2 instances were identified where receipts were not retained to support the expenditure incurred, with a total value of £507.25. A recommendation has been made to add a third cheque signatory to the account, as currently both of the current cheque signatories are required to sign a cheque. If one of the current cheque signatories is absent, there will be delays in making payments.

All purchase card transactions examined during the sample period were appropriate and there were receipts / confirmation of purchase present for all. The purchase card is used by staff other than the cardholder and whilst there is a signing out / in sheet present at school, it is being completed intermittently. There were no issues in terms of collecting and recording dinner money. The school maintains records of the number of school meals required daily and the number of meals served to ensure that both correspond. School meals arrears are also appropriately pursued. During the sample period examined it was found that whilst income is banked weekly, the values were between £346 and £598 (mainly all cash), therefore a recommendation has been made to bank dinner money more often if possible. Implementing the recommendations in the report will ensure that the current levels of control are enhanced.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>During 2011/12 all staff received Level 1 safeguarding training and there is an attendance list available at the school to demonstrate the staff who attended.</p> <p>The Headteacher, Deputy Headteacher and Assistant Headteacher have all been trained to a Level 3; however evidence could only be located for the Headteacher's training on 8th November 2013.</p> <p>New staff since 2011/12 were trained by the Headteacher as part of the induction process, however there was no formal record of this.</p>	<p>A central record should be developed to record all safeguarding training. This record should include staff name, date of training and to what level.</p> <p>This could be incorporated into the Child Protection Policy to allow the assessment of training requirements to coincide with the policy's annual review.</p>
<p>5.1.2</p> <p>Low</p>	<p>Whilst there was a detailed list at the school of staff DBS details, when comparing it to the list obtained from Vision prior to the audit review, it was identified that the school's record does not contain full details of new staff.</p> <p>Please note, all staff working at the school have appropriate DBS checks.</p>	<p>The school should ensure that their DBS record is kept up to date.</p>

<p>5.1.3</p> <p>Medium</p>	<p>Only 6 educational visits were recorded on Evolve since October 2012. The Headteacher confirmed that not all visits are recorded on Evolve.</p> <p>It was also identified that only the Headteacher uses Evolve; therefore the Headteacher creates each visit and approves them.</p>	<p>All visits should be recorded and approved on Evolve prior to the date of the visit.</p> <p>Each visit should be appropriately risk assessed, with the required risk assessments attached to the visit on Evolve.</p> <p>As the Headteacher is the School's EVC, the visits should be entered onto Evolve by the members of staff planning the visit and then approved by the Headteacher (i.e. EVC).</p> <p>It is recommended that Central South Consortium's Outdoor Education Advisor be contacted to provide training to staff at the school in using Evolve.</p>
<p>5.1.4</p> <p>Medium</p>	<p>The 'Planning and Approval Procedures for Educational Visits 2013-14' states that residential visits / adventure activities must be 'planned and approved using the Evolve system at least 28 days before visit'.</p> <p>Of the 6 visits recorded on Evolve, the following 2 were classed as residential and adventurous and required LA approval:</p> <ul style="list-style-type: none"> • Glanllyn 15th - 17th May 2013 • Abernant 18th - 20th May 2015 <p>The above visits were approved on Evolve 16 and 13 days respectively prior to the visit.</p>	<p>It should be ensured that all residential / adventurous activities are planned and approved on Evolve in line with the 'Planning and Approval Procedures for Educational Visits 2013-14', i.e. at least 28 days prior to the date of the visit.</p>
<p>5.2.1</p> <p>Medium</p>	<p>Point 2.3 of the School Private Fund Regulations states:</p> <p><i>'The Headteacher must ensure that the Annual Certificate and Summary of Accounts is presented to the Governing Body as soon as possible after the end of the school year...The Annual Certificate and the Summary of Accounts must be submitted to the Education Finance Team in Bronwydd House by the 31st December'.</i></p> <p>It was identified that the annual certificate and audited accounts for academic year</p>	<p>The annual certificate and audited accounts relating to 2014/15 should be completed and submitted to Education Finance by the 31st December 2015.</p>

	2013/14 were not submitted to Education Finance until 22 nd April 2015.	
5.2.2 Medium	<p>When comparing the income recorded on the Record of Daily Income (RODI), Ledger, Bank Paying in Book and Bank statements during the sample period of September - December 2014, the following inconsistencies were identified:</p> <ul style="list-style-type: none"> • £458.35 was recorded on the RODI and the Ledger on 2.10.14, but banked on 1.10.14. • An amount of £770.90 for Xmas cards had not been recorded on the RODI, but was recorded on the Ledger on 22.11.14, and appeared on the bank statements on 21.11.14. <p>There are 2 entries in the RODI on 3.12.14 of £31.40 for toast and £88.90 for Xmas trip. However the amounts recorded in the Ledger are £31.40 for toast and £57.50 for Xmas trip (totalling £88.90), which is also the amount that was bank. This therefore suggests that the RODI shows the incorrect amount for the 'Xmas trip'.</p>	All income should be appropriately recorded upon receipt on the RODI, Ledger and bank paying in book. The bank statements should then be reconciled to each of the above documents, to ensure that all entries agree.
5.2.3 Low	There are currently 2 cheque signatories for the School Private Fund and both signatures are required to authorise a cheque.	The school should add another cheque signatory to ensure that cheques can always be authorised and issued promptly (in the absence of 'one' signatory).
5.2.4 Low	<p>Point 5.1 of the School Private Fund regulations states:</p> <p><i>'All items of expenditure must be supported by a relevant receipt / invoice as proof of payment. Where, due to exceptional circumstances, it is accepted that such documents cannot reasonably be provided; the Treasurer must record the details of the purchase on a Record of Expenditure Made Without Receipts Form, which must be signed by the member of staff who incurred the expenditure.'</i></p> <p>During the sample period of September - December 2014, there were 12 instances of expenditure.</p> <p>No receipts were located to accompany the following 2 instances:</p> <ul style="list-style-type: none"> • 4th December 2014, reference number 628, £457.25. • 1st December 2014, reference number 627, £50.00. 	All expenditure should be supported by a relevant receipt / invoice. Where this is not possible a Record of Expenditure Made Without Receipt form (Appendix 8 of School Private Fund regulations) should be completed and appropriately signed.

	No Record of Expenditure Without Receipt form (PF2) is being used.	
5.3.1 Medium	<p>Point 3.1 of the Purchase Card - Cardholder Manual states:</p> <p><i>'The card can be used by other authorised staff but they must sign the Signing Out/In sheet provided to record such use'.</i></p> <p>Whilst there is a Signing Out/In sheet at the school, examination of it identified that prior to April 2015, the log had not been completed since September 2014.</p>	It should be ensured that the Signing Out/In sheet is always completed when the purchase card is used by members of staff other than the cardholder.
5.4.1 Low	During the sample period of January - March 2015, it was identified that whilst the dinner money is being banked on a weekly basis, the amounts banked were no less than £346 and up to £598, the majority of which is cash.	The school should consider banking dinner money more frequently, e.g. once the cash in hand reaches £200.

AUDIT NAME : YGG BODRINGALLT

DATE FINAL REPORT WAS ISSUED : 23RD JUNE 2015

INTRODUCTION

The self-evaluation process is designed to help and advise Headteachers and support staff 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 Bodringallt was last subject to an Internal Audit Review in September 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial years 2015/16 and 2014/15.

The review of YGG Bodringallt assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It aims to provide an assurance to Management on the accuracy of the completed checklist.

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 and this has recently been reviewed and will be re-presented to the full Governing Body for ratification in their Summer Term meeting. Training undertaken in respect of Safeguarding was evident with certificates present and a record of training maintained (including the date undertaken). 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. Evidence of a detailed reconciliation was not present on the bank statements however the Headteacher has signed and dated all bank statements. All expenditure incurred is solely for the benefit of the pupils.

Dinner money is updated to SIMS daily and subsequently banked promptly - however an issue was identified where income had not been recorded on both the manual registers and SIMS system resulting on occasions in inaccurate pupil balances. The school also have a number of pupils with significant arrears balances which at the time of the review had not been referred to Education Finance for recovery action. It was also identified that the school have not consistently submitted their arrears returns as required.

There was a sufficient audit trail in respect of Purchase Card transactions; however, the single transaction log was not being updated as and when transactions occur as the entries on the log were not in date order thus making the reconciliation process more time consuming. Maintaining separate transaction logs for each Purchase Card would help the process.

Pupil numbers were reviewed and no discrepancies were noted in the latest return completed in January 2015 (although there have been new starters and leavers since this date).
Implementing the recommendations contained in the report will further enhance the current levels of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Review of the school's private fund records revealed that the ledger is not updated on a regular basis. The school clerk confirmed that it is updated on receipt of the bank statement.</p> <p>It was also noted that whilst the information contained in the ledger was accurate it lacked detail which would help summarise how much income has been received for each income source.</p>	<p>The Private Fund ledger should be updated on a weekly basis.</p> <p>The format of the ledger should also be revisited. Good practice recognised that the use of columns headed by each source of income i.e. Trips, Fruit/Tuck Shop etc and expenditure will help in the process of maintaining an accurate ledger. An example of a ledger format can be found at Appendix 4 of the Private Fund Regulations.</p>
<p>5.1.2</p> <p>Low</p>	<p>On review of the private fund records, it was noted that whilst the Headteacher has signed and dated the fund bank statements there was no evidence of a detailed reconciliation process i.e. transactions had not been ticked on the statements or the ledger.</p>	<p>The Treasurer should ensure that when reconciling the account on a monthly basis, transactions are ticked as correct on both the statements and the ledger. Once this is complete the records can be reviewed and signed off by the Headteacher.</p>
<p>5.2.1</p> <p>Medium</p>	<p>The school has only submitted one arrears return (for Easter Holidays) since October 2014.</p> <p>Review of the arrears balances as of the 30th April 2015 revealed there are currently ten pupils with arrears over the 2 week threshold - with a combined arrears balance of £1,206.83 between them. None of these have been referred to Education Finance for further action.</p>	<p>The school need to ensure that they submit their arrears returns as required (half termly).</p> <p>The School now need to undertake an exercise to calculate the balances of those pupils with excessive balances from September 2013 and ensure these are referred to Education Finance immediately so that recovery action can commence.</p>
<p>5.2.2</p> <p>Low</p>	<p>Review of school meal income records for February 2015 revealed that the manual dinner registers did not always correspond to the amounts on the dinner money system in SIMS.</p> <p>There were numerous occasions whereby the school clerk had received income and entered it onto the SIMS system but had not updated the manual dinner registers (and vice versa) - hence the reasoning behind the variances.</p>	<p>Care should be taken to ensure that the records, both manual and electronic, for all school meals income received are accurately updated.</p> <p>Consideration should be given to a regular reconciliation undertaken between these documents to ensure that any anomalies are identified and corrected.</p>

	While this may have an impact on the pupil balance figures to date (arrears) - due to the time that has elapsed it would be difficult to identify where the errors are.	
5.3.1 Low	The school currently has two purchase cards; however the school clerks only maintain a single transaction log. Whilst this is not a problem, it was time consuming identifying the transactions relating to each card as the numbering system was the same for both cards (but the dates were not in order). This indicates that the log is not completed as and when transactions occur.	Consideration should be given to maintaining separate transaction logs for each card which should be updated as and when transactions occur.

AUDIT NAME : TYLORSTOWN PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED : 3RD JULY 2015

INTRODUCTION

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

Tylorstown Primary School was last subject to an Internal Audit Review in April 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial year 2015/16.

The review of Tylorstown Primary School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It also aims to provide an assurance to Management on the accuracy of the completed checklist.

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 and this has recently been reviewed and will be re-presented to the full Governing Body for ratification in their Summer Term meeting. Training undertaken in respect of Safeguarding was evident with certificates present and a record of training maintained (including when undertaken). 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 inclusion of a running balance in the ledger would be beneficial to allow an up to date account balance to be available at all times. Evidence of a detailed reconciliation was not present on the bank statements; however the Headteacher has signed and dated all bank statements.

Dinner money is updated to SIMS daily and subsequently banked promptly - however an issue was identified where the weekly banking and catering returns have not been signed by the Headteacher. The school have consistently submitted their arrears returns as required and therefore there are no significant outstanding arrears at the school.

There was a sufficient audit trail in respect of Purchase Card transactions, with a transaction log kept up to date; however from a sample of purchases one was identified which had not been recorded on the log and no supporting paperwork was available.

Pupil numbers were reviewed and no discrepancies were noted.
 Implementing the recommendations contained in the report will further enhance the current levels of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
5.1.1 Low	Whilst the information recorded in the Private Fund ledger was accurate it lacked the detail of a running balance and details of the total bankings made.	Consideration should be given to the inclusion of a running balance in the ledger which should be updated following each transaction. The totals of income banked should also be detailed for completeness and to aid the reconciliation process.
5.1.2 Low	Review of the Private Fund bank statements revealed that whilst they are signed and dated by the Headteacher, there was no evidence of the reconciliation process i.e. transactions not ticked etc.	As part of the monthly account reconciliation process the Private Fund records should be checked to the bank statements and the transactions ticked to evidence the process. The statements should continue to be signed and dated as evidence of when and by whom this was undertaken.
5.2.1 Low	Examination of the school's weekly catering and banking returns revealed that they are not being signed by the Headteacher.	The Headteacher should ensure that she checks and certifies the weekly banking and catering returns.
5.2.2 Low	Whilst income is currently held appropriately, the security arrangements could be improved by the purchase of a lockable cash box.	The Headteacher should consider purchasing a lockable cash box to retain the unbanked cash which in turn can be retained in the safe.
5.3.1 Low	A review of purchase card expenditure identified one transaction (dated 30.3.2015 for £93.60) that had not been recorded on the transaction log or supported by any documentation.	Care should be taken to ensure that all purchase card transactions are promptly recorded on the transaction log and supported by receipts/invoices.

AUDIT NAME : PENYRENGLYN COMMUNITY PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED : 16TH JULY 2015

INTRODUCTION

The self-evaluation process is designed to help and advise Headteachers and support staff to evaluate the effectiveness of their financial and governance arrangements.

The process requires primary schools to complete a self-evaluation checklist against expected controls. Penyrenglyn Community Primary School was last subject to an Internal Audit Review in June 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial year 2015/16.

The review of Penyrenglyn Community Primary School assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It also aims to provide an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The School has a Child Protection Policy in place and this has recently been reviewed and will be re-presented to the full Governing Body for ratification in their summer term meeting on the 22nd June 2015. 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 – however it is felt that the introduction of a Record of Daily Income proforma to record income as and when it is received would improve the process further. The account is regularly reconciled and income is banked promptly. All expenditure incurred is solely for the benefit of the pupils (based upon the sample examined).

Dinner money is updated to SIMS daily and subsequently banked promptly - however, an issue was identified where an under banking of £10 occurred (difference between the records and what was actually banked). Details of outstanding dinner money arrears are reported to Catering Finance on a half termly basis.

There was a sufficient audit trail in respect of Purchase Card transactions, the records are kept up to date and were evidently reconciled to the Barclaycard

system with transactions (with the exception of most recent transactions) being reviewed and authorised on the system. Pupil numbers were reviewed and no discrepancies were noted in the latest return completed in January 2015. Implementing the recommendations contained in the report will enhance the overall control environment further.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Low</p>	<p>Review of school meals income records for May 2015 revealed that the manual dinner registers and SIMS did not always correspond to the amounts on the dinner money system SIMS.</p> <p>One instance was noted whereby the weekly total (for the week commencing 18th May 2015) as per the manual record and SIMS was £10 greater than what was actually banked - no reason could be identified for this variance.</p>	<p>The School Clerk needs to ensure that she updates her records, both manual and electronic, for all school meals income received and that the income banked matches the system totals.</p> <p>Consideration should be given to a regular reconciliation being undertaken between these documents to ensure that no anomalies are identified at the end of each week.</p>
<p>5.2.1</p> <p>Low</p>	<p>On review of the Private fund records it was noted that all income received is recorded directly into the Private Fund ledger.</p> <p>Whilst no issues were noted in the receipting and recording of the income received, use of the Record of Daily Income proforma would be more appropriate to record income as and when it is received - then this information used to summarise income totals received on a weekly basis.</p>	<p>The School should consider introducing the Record of Daily Income proforma to record all private fund income as and when it is received. This record will then be used to complete the private fund ledger on a weekly basis.</p> <p>A copy of the Record of Daily Income proforma can be found in the Private Fund Regulations at Appendix 4.</p>

AUDIT NAME : EDUCATION OTHER THAN AT SCHOOL

DATE FINAL REPORT WAS ISSUED : 7TH JULY 2015

INTRODUCTION

Education Other Than at School was last subject to a routine Internal Audit visit in July 2014, with the final report being agreed and issued in December 2014.

Following presentation of the report to Audit Committee, a follow-up review, to ascertain whether recommendations made at the time have been successfully implemented, was requested by Audit Committee (the follow up review to be undertaken in 2015/16).

SCOPE & OBJECTIVES

The last review (undertaken in July 2014) examined two key areas, Safeguarding and Home Tuition.

The follow up review examined the action taken by Management since the recommendations made were agreed in December 2014.

AUDIT OPINION

This Internal Audit review has examined each of the 11 recommendations made in the previous Audit report, issued in December 2014.

Improvements have been made since the last review and now the overall control environment is considered to be effective with opportunity for improvement.

It was established that 9 of the 11 recommendations have been fully implemented with no findings made in this follow up report. The remaining 2 have only been partially implemented and further recommendations have therefore been made, as detailed below:-

- It was reported that the attendance of dually registered pupils was not being shared with their home schools. Since the report was issued the Headteacher has held discussions with the key officers and from April 2015 has introduced a contract with schools for them to take responsibility for contacting Ty Gwyn to obtain attendance information. However, the attendance information is still not being requested or shared with schools.
- It was reported that a file would be maintained to support driver details, copy of driving licence, car insurance and MOT certificates where required. A file has been developed and it does contain update information, however, it does not contain full and comprehensive information for all applicable staff.

With only 2 findings, it is therefore acknowledged that Management has shown a commitment to addressing the recommendations previously made and from the tests performed during this review, assurance can be given that the areas reviewed of Safeguarding and Home Tuition are now more robust.

Implementation of the recommendations made in this report will further enhance the controls operating.

SUMMARY OF RECOMMENDATIONS:		
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Medium</p>	<p>Class registration is undertaken each morning and afternoon for all pupils in Ty Gwyn and updated into SIMS by the administration officer each Friday.</p> <p>It was established that the administration officer does not share this attendance information with the schools of any dually registered pupils and there are no other arrangements in place to share this information.</p> <p>It is acknowledged that since the last audit review, the Headteacher has held discussions with colleagues in Ty Trevithick to resolve the issues; however to date no changes have been introduced.</p> <p>Since Easter 2015 the Headteacher has developed a contract with the schools of approximately 10 pupils (being rolled out on an ongoing basis). One part of the document states that it is the responsibility of schools to monitor the attendance of dually registered pupils, however none are making contact with Ty Gwyn.</p>	<p>For dually registered pupils the attendance records on SIMS at both the Home School and Ty Gwyn should contain consistent information.</p> <p>Officers from Ty Gwyn, Home Schools and Ty Trevithick should continue to liaise to establish the most effective arrangements for sharing / obtaining this attendance information.</p>
<p>5.1.2</p> <p>Medium</p>	<p>Staff either drive their own vehicle or a school mini bus and therefore are required to possess a valid driving licence, vehicle insurance and MOT certificate where applicable.</p> <p>The last audit review established that the file maintained to support the drivers' documents was not up to date or complete.</p> <p>Since our review, a file has been developed and it contains copies of the drivers' documents. Examination of this file noted the following anomalies:-</p> <ul style="list-style-type: none"> • M.B and A.C occasionally drive a school minibus; however, there was no copy of their driving licence to support them being able to legally drive this vehicle. • P.R uses his personal car for work purposes. The file contained a copy of a valid driving licence; however the motor insurance certificate expired on the 27/1/15 and there was no MOT certificate. It was established by Internal Audit that the vehicle does have valid insurance and business use is permitted. 	<p>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.</p> <p>Management should obtain the appropriate driver / car documents for the staff highlighted.</p> <p>Moving forward management should ensure that current copies of driver / car documents are always obtained and retained on file.</p>

AUDIT NAME : YSGOL GYFUN RHYDYWAUN

DATE FINAL REPORT WAS ISSUED : 27TH JULY 2015

INTRODUCTION

Ysgol Gyfun Rhydywaun is an 11-18 Welsh medium School located in the Cynon Valley which also serves pupils in Merthyr Tydfil County Borough. There are 989 pupils at the school, including 219 in the sixth form. The proportion of pupils entitled to free school meals currently stands at 12.5%. The total budget for the School for financial year 2015/16 is £4.2 million.

The School was last subject to a routine Internal Audit visit in July 2014. Following the presentation of the report to Audit Committee in October 2014, a follow-up review was requested to ascertain whether recommendations made at the time have been successfully implemented.

SCOPE & OBJECTIVES

The follow up review of Ysgol Gyfun Rhydywaun examined the action taken by Management since the recommendations made were agreed in October 2014. This report provides an opinion on whether Management have implemented the agreed recommendations.

AUDIT OPINION

The follow-up audit review has identified that overall, the control environment relating to the School's Financial and Governance arrangements is still considered to be effective with opportunity for improvement.

Evident improvements have been made since the previous review, with recommendations in relation to the Private Fund largely implemented. The recording of the composition of bankings is now transparent and monthly reconciliations are being printed off and retained on file. The composition of the Fund Committee is now indicative of the actual duties undertaken by Staff and confirmation of the cheque signatories for the account has been obtained and kept for reference. Statements of Account are routinely being prepared upon completion of a trip.

Notwithstanding the above, testing identified that there are still inconsistencies in relation to the trip records maintained by Teaching staff. While amounts recorded as collected for two sampled trips agreed to the sum totals received and banked by the Treasurer, there were gaps in detail (such as the dates of receipt) which mean that the audit trail is incomplete. The Risoul 2014 trip, which was identified in the previous review as requiring attention, has still not been scrutinised to ascertain the definitive amount collected and banked. It was also identified that the annual certificate and statement of accounts in relation to the most recent 2013/14 academic year have not been presented to the Governing Body, as was recommended in the previous report. This report contains a new recommendation in respect of cash floats taken on School trips, and the lack of records and on occasion, receipts, to support the spend.

The follow-up review identified that there is still inconsistency in the extent to which minutes from Full Governing Body and Committee meetings are being signed as agreed. The only outstanding policy from the previous report yet to have been presented to Governors is the Anti-Bullying policy, but this has been placed on the agenda for the first meeting of the Autumn Term. It was noted during testing that the Child Protection Policy was presented as agreed in the November 2014 meeting and that the level 1 training delivered to Staff and Governors was recorded.

There are no further issues to raise in relation to the administration of the Petty Cash account, with all expenditure in the sample period appropriately receipted and a newly introduced independent check. However the School are yet to have had their individual transaction and reimbursement level formally agreed by Governors as recommended previously.

While it is acknowledged that the School have introduced a purchase card recording procedure since the previous review, the timeliness of the commitment recording on SIMS still requires improvement. A further example of expenditure which is considered to be unnecessary in light of the current financial climate was noted, despite assurances in the previous report that they would be avoided in future.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Medium</p>	<p>Section 2.3 of the School Private Fund Regulations states that:</p> <p><i>'The Headteacher must ensure that the Annual Certificate and Summary of Accounts is presented to the Governing Body as soon as possible after the end of the school year...the submission of the Annual Certificate and the Summary of Accounts must be sent to the Education Finance Team in Bronwydd House by the 31st December.'</i></p> <p>The previous review highlighted that the documentation in relation to the 2012/13 year had not been evidently presented to the Governing Body.</p> <p>The annual certificate and summary of accounts in respect of the 2013/14 academic year, which have been collated since then (signed off on the 5th December 2014) have not been presented to the Governing Body either.</p>	<p>It should be ensured that the Statement of Accounts and Annual Certificate are prepared and presented to the Governing Body as soon as possible after the end of the academic year.</p>
<p>5.1.2</p> <p>Medium</p>	<p>Section 9.2C of the School Private Fund Regulations states that:</p> <p><i>'The trip organiser must maintain a record of all monies received. This should include the name, the amounts received, the date received and the date it was deposited with the Treasurer. This must be a permanent and legible record, exercise book etc'</i></p> <p>Examination of records maintained in respect of two sampled records identified that there are still evident inconsistencies in the detail recorded by trip organisers.</p>	<p>The School should establish a standard trip procedure, with a suite of pro-formas to be used when organising and administering a trip.</p> <p>Teacher records should detail pupil name, amounts paid and dates of payment. It should also be evident when the income has been passed to the Treasurer for banking and that this has been done in a timely manner.</p>

	<p><u>California 2016</u> While pupil names and amounts paid were recorded, the dates of receipt were inconsistently documented.</p> <p><u>Florida 2017</u> Only the initial deposits have been taken from pupils at the time of testing, but again, the dates of individual receipt were not recorded.</p>	
<p>5.1.3</p> <p>High</p>	<p>The previous review identified discrepancies between records maintained in respect of the Risoul 2014 trip as follows:</p> <p>Teacher record - £32,324.00 Office record - £33,291.53 Private Fund Ledger - £32,871.53</p> <p>The discrepancy may be due, in part, to the following omissions noted:</p> <p><u>On the office record but not the ledger:</u> 14th November 2013 - £480 15th November 2013- £280 29th November 2013 - £230 3rd December 2013 - £110</p> <p><u>On the ledger but not the office record:</u> 6th March 2014 - £150 8th April 2014 - £100</p> <p>To date, there has been no work undertaken to determine the definitive amount of income that was received and banked in respect of this trip. As a result, a Statement of Account for this trip has not been devised and signed off by the Trip Organiser and Treasurer.</p>	<p>As was previously agreed, the School Private Fund Committee should scrutinise the records maintained in respect of the Risoul trip, in order to ascertain the definitive sum received from pupils that was subsequently passed to the office and banked.</p> <p>All records should be subject to review to identify the discrepancies detailed and any remedial actions necessary to ensure all monies are accounted for correctly.</p> <p>As the trip has concluded, a statement of account should be prepared and signed by the trip organiser and Treasurer.</p>
<p>5.1.4</p> <p>Low</p>	<p>Section 9.1F of the School Private Fund Regulations states that: <i>'On larger scale trips such as overseas skiing and adventure holidays, Schools often utilise the services of local representatives/instructors to whom gratuities may be paid. The School must develop a protocol for the payment of gratuities on such trips, which must be shared with staff and parents prior to the trip taking</i></p>	<p>Should the School Private Fund Committee agree that this practice is permitted, then a protocol should be devised as per the regulations. This should be incorporated into parental correspondence for all relevant School trips to ensure that any such gratuities are paid in a controlled and consistent manner.</p>

	<p><i>place (i.e at the planning/booking stage)</i></p> <p>The Treasurer confirmed that while Staff have been advised to include the potential for payment of gratuities in correspondence to parents, a formal consistent protocol has not been agreed as recommended in the last report.</p>	
<p>5.1.5</p> <p>Medium</p>	<p>Section 9.2 of the School Private Fund Regulations states that:</p> <p><i>(e) 'Any cash advances...must be accounted for by receipts with unspent cash being handed to the Treasurer for banking without delay'</i></p> <p><i>(g) Pooled funds are often used to purchase small items for those on the trip, for example food and drink. All children and Staff should equally contribute to and receive equal value from these funds. No children or Staff should gain from the pooled monies. As per (e) above, an itemised list of expenditure and supporting receipts must be retained and provided to the Treasurer.'</i></p> <p>Examination of the Statement of Accounts for two sampled trips identified issues in respect of the cash floats that were provided to the Trip Organisers.</p> <p><u>France/Belgium (Feb 2015) - Cash float stated as 1,270 euros</u></p> <p>A summary of the cash float spend was not maintained although receipts retained were largely for purchases of group activities/refreshments, there were several which appear to be specifically for the Staff on the trip (a round of hot drinks and an alcoholic drink during the Ferry journey, and the purchase of another alcoholic drink during a bowling alley visit).</p> <p><u>Austria (Feb 2015) – Cash float stated as £1,819.28 (in euro's) and £115.57 cash</u></p> <p>A summary of the cash float spend was not maintained and there were no receipts retained with the statement of accounts. An invoice totalling 1,954 euro from the travel company was noted, which detailed additional charges for items such as broken ski poles. However it was not evident whether the cost of this was met from the cash float taken.</p>	<p>Where cash floats are issued for use on School trips, Staff should be advised that a record of all expenditure must be maintained (i.e. date, detail of purchase, cost, remaining balance). It should be evident how much (if any) was unspent, and when it was passed back to the Treasurer for banking.</p> <p>Receipts for all expenditure should be obtained where possible, or recorded via a record of expenditure without receipt form (PF2).</p> <p>Staff purchases from the cash float should be avoided unless, as per the regulations, the School can demonstrate that they have equally contributed to the funds available. The purchase of alcohol via these funds is not permitted.</p> <p><u>THIS IS A NEW RECOMMENDATION</u></p>
<p>5.2.1</p> <p>Medium</p>	<p>The previous review identified delays in the updating of SIMS with expenditure transactions processed via the purchase card.</p>	<p>Purchase Card statements should be reconciled to the School's transaction log upon receipt. Once satisfied that the amount recorded as spent agrees to the records maintained at the School, a cashbook journal for all transactions should be posted to SIMS</p>

	<p>Since then, the Bursar advised that transactions are recorded on SIMS as and when they occur (at the same time the transaction log is updated) but that the journal is not collectively posted until the bank reconciliation is undertaken.</p> <p>As a result, this gives the appearance of a delay in the update of the transactions, as the actual commitment is not being reflected until the Bursar performs her reconciliation.</p> <p>During the sample period examined:</p> <ul style="list-style-type: none"> • March 2015 transactions appeared on SIMS on the 24th April • April 2015 transactions appeared on SIMS on the 19th May • May 2015 transactions appeared on SIMS on the 22nd June 	<p>in anticipation of the subsequent monthly direct debit. This can then be reconciled upon receipt of the budget bank statement.</p>
<p>5.2.2 Medium</p>	<p>The previous review highlighted several purchases which, in the current financial climate, could be considered unnecessary/inappropriate expenses. Two such spends were in relation to room hire and refreshments in the Village Hotel Cardiff, which the Headteacher confirmed were for literacy and numeracy staff meetings.</p> <p>Despite assurances that expenditure of this nature would be avoided in future, examination of purchase card transactions since the previous report in October 2014, identified a spend of £309 at the same venue in December 2014.</p> <p>The invoice in respect of hire detailed the cost as follows:</p> <ul style="list-style-type: none"> • £150 room hire • £33 Tea/Coffee x 4 • £14 Bacon Rolls x 4 • £112 Equipment Hire (LCD and flip chart) 	<p>All potential expenditure should be subject to challenge by the Headteacher to ensure that the School can demonstrate value for money and that funds have been utilised in a prudent manner.</p> <p>Should the need to utilise external facilities arise, then the School should seek to identify alternative Council accommodation in the locality that could offer better value for money.</p>
<p>5.3.1 Medium</p>	<p>Section 47 of 'The Government of Maintained Schools (Wales) Regulations 2005 states that:</p> <p><i>'The Clerk...must ensure that minutes of the proceedings of a meeting of the Governing Body are drawn up and signed by the Chair...Minutes of proceedings must be entered into a book kept for the purpose by the Clerk or on loose leaf pages consecutively numbered; but in that case the person signing the minutes must initial each page.'</i></p>	<p>The School should ensure that all minutes (in respect of the Full Governing Body and its committees) are signed as agreed and retained on file.</p>

	<p>Examination of the minutes of the Full Governing Body meetings from 4th September 2014 and 2nd February 2015 had not been signed by the Chair.</p> <p>In addition, several sets of committee meetings had not been signed as required.</p> <p>Minutes from the Finance and Curriculum Committees on the 20th October 2014 were not initially agreed (due to an error in translation) but signed copies of the subsequently rectified version were not available on file.</p> <p>Copies of minutes from the above mentioned committees as well as their Building and Maintenance counterpart from the 20th April 2015 were also unsigned.</p>	
<p>5.4.1</p> <p>Low</p>	<p>The Governing Body are yet to have approved the individual purchase limit and cheque reimbursement amount for the Petty Cash account as agreed in the previous report.</p>	<p>The Cheque reimbursement level and individual transaction limits should be formally approved by the Governing Body and be incorporated into the School Finance Policy.</p>

AUDIT NAME : YGG TONYREFAIL

DATE FINAL REPORT WAS ISSUED : 24TH JULY 2015

INTRODUCTION

The self-evaluation process is designed to help and advise Headteachers and support staff 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 Tonyrefail was last subject to an Internal Audit Review in September 2011 and this is the third cyclical visit made to the school to examine progress made under the self-evaluation process.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 101 standards that need to be reviewed. Audit testing was carried out on a sample of standards applicable to the School, using transactions processed during financial years 2014/15 and 2015/16.

The review of YGG Tonyrefail assessed the file of evidence compiled at the School to help meet the standards set out in the checklist and concludes on the adequacy and effectiveness of the controls in operation. It also provides an assurance to Management on the accuracy of the completed checklist.

AUDIT OPINION

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

The School's Safeguarding Policy is reviewed on an annual basis. The school has an up to date record of staff DBS information and all staff have appropriate DBS checks. The Headteacher is trained to Level 3 in safeguarding and provides basic training to the staff at the beginning of each academic year; however no formal training record is maintained. Evolve is used to record all educational visits; however one instance was identified where a visit had not been entered and approved on Evolve in line with the procedures (i.e. 28 days prior to the visit).

The School Private Fund is well administered. No issues were identified in terms of receiving and recording income, and income is banked in a timely manner. All expenditure examined was in line with the regulations and the corresponding receipts were all present. However, the annual certificate and audited accounts were not submitted to Education Finance by the required date.

All purchase card transactions examined as a sample were appropriate in nature and receipts / confirmation of purchase was present for all. The purchase card is only used by the cardholder. Slight delays were identified in undertaking cashbook journals for the transactions examined.

Issues were identified with all 6 purchase orders examined and the corresponding delivery notes and invoices, i.e. missing signatures, lack of evidence demonstrating that deliveries and invoices were checked for accuracy and authorised prior to payment. It was also noted that official orders should have been raised for 3 of the 4 non-orders examined, as a prior request would have been made.

The budget had not been fixed on SIMS at the time of the review due to amendments being made by the Headteacher that were to be agreed by the Governing Body on 16th June, and subsequently fixed on SIMS. The Headteacher and School Clerk review the school's budgetary position on a regular basis, evidence of which is retained by the Headteacher. Income received was examined during a sample period of 2 months. 2 minor delays were identified in banking and updating SIMS.

The school is registered with the Data Protection Commissioner and a valid certificate was present at the time of the review. All equipment is recorded on the school's inventory; however equipment is not marked as property of the school for security purposes. Implementing the recommendations in the report will ensure that the current levels of control are enhanced.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1 Low</p>	<p>Section 2.21 of Keeping Learners Safe: The role of local authorities, governing bodies and proprietors of independent schools under the Education Act 2002 (WAG circular 158/2015) states that:</p> <p><i>'Governing Bodies...should ensure that the Headteacher and all other permanent staff and volunteers who work with children undertake appropriate training to equip them with the knowledge and skills that are necessary to carry out their responsibilities for child protection effectively, which is kept up to date by refresher training'</i></p> <p>Whilst the Headteacher, who is trained to a Level 3, provides safeguarding training to all staff at the start of each academic year, there was no central, collated record of the training undertaken.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names.</p> <p>This could be incorporated into the Child Protection Policy to allow the assessment of training requirements to coincide with the policy's annual review.</p>
<p>5.1.2 Medium</p>	<p>The 'Planning and Approval Procedures for Educational Visits 2013-14' states that residential visits / adventure activities must be <i>'planned and approved using the Evolve system at least 28 days before visit'</i>.</p> <p>Examination of the visits on Evolve since September 2014 identified that there was one residential visit to Llangrannog on 19th September 2014; however the visit was not created and approved on Evolve until 16th September 2014, only 3 days prior to the visit.</p>	<p>It should be ensured that all residential / adventurous activities are planned and approved on Evolve in line with the 'Planning and Approval Procedures for Educational Visits 2013-14', i.e. at least 28 days prior to the date of the visit.</p>
<p>5.2.1 Low</p>	<p>Point 2.3 of the School Private Fund Regulations states:</p> <p><i>'The Headteacher must ensure that the Annual Certificate and Summary of Accounts is presented to the Governing Body as soon as possible after the end of the school year...The Annual Certificate and the Summary of Accounts must be submitted to the Education Finance Team in Bronwydd House by the 31st December'</i>.</p>	<p>The annual certificate and audited accounts relating to 2014/15 should be completed and submitted to Education Finance by the 31st December 2015.</p>

	It was identified that the annual certificate and audited accounts for academic year 2013/14 were not submitted to Education Finance until 23rd January 2015.	
5.3.1 Medium	<p>The following issues were identified when examining 6 purchase orders chosen as a sample:</p> <p>Order numbers 4654150026 and 4654150035 were raised after the goods were received.</p> <p>No copy order was located for order number 4654150054, therefore it could not be determined whether this order was raised in advance, or appropriately authorised.</p> <p>Order number 4654150026 was not signed by the Headteacher.</p>	<p>Official orders should be raised in all cases where a commitment to expenditure is known in advance.</p> <p>Official orders should be completed in full with specific descriptions of the goods / services required and the anticipated costs, signed by the budget holder and retained at the school.</p>
5.3.2 Low	There was no evidence on the delivery notes to demonstrate that they have been checked to the corresponding orders.	Upon delivery, goods received should be checked to the delivery note and copy order to confirm that items listed thereon have actually been received and that they are in a satisfactory condition.
5.3.3 Low	There was no evidence on the invoices relating to the purchase orders examined to demonstrate that they were checked to the corresponding order, or approved by the budget holder prior to payment.	<p>All payments should be supported by genuine invoices and supporting information for the correct amounts.</p> <p>All invoices should demonstrate evidence of being checked to the original order and authorised by the budget holder prior to payment.</p>
5.3.4 Low	<p>There was no cheque authorisation slip present for order number 4654140031.</p> <p>In addition, the cheque authorisation slips had not been signed as correct by one of the cheque signatories for order numbers 4654140042 and 4654140067.</p>	Cheque signatories should examine the supporting documentation before signing the cheques and endorse the cheque authorisation slips to confirm the actual details on the cheques are correct.
5.3.5 Low	<p>4 non-orders were chosen as a sample. It was identified that a prior request would have been made for 3:</p> <ul style="list-style-type: none"> • Books 4 Schools - cheque number 101393 - Invoice number MW0609 • IDN supplies - cheque number 101400 - Invoice number SIN339563 • Mewn Cymeriad / In Character - cheque number 101412 - Invoice number 166. <p>In addition, whilst invoices were present for each non order examined, none were signed by the budget holder. (Please refer to 5.4.3).</p>	<p>An order (confirmation if made by telephone) should be raised on SIMS as soon as a commitment to expenditure is known. This will ensure that the budgetary information on SIMS is as accurate as possible, has been authorised in the correct manner and that there is a hard copy of the items ordered at the school which can be used to check the subsequent delivery of goods and relevant invoice.</p> <p>In addition, as stated in 5.4.3 all invoices should be signed by the budget holder as authorisation for payment.</p>

<p>5.3.6 Low</p>	<p>Examination of the cheque stubs for payments made during January 2015 identified that 2 cheque stubs were blank: cheque numbers 101531 and 101537.</p>	<p>Cheque stubs should be fully completed.</p>
<p>5.3.7 Low</p>	<p>At the time of the review, there was a new cheque book at school that had not been recorded on SIMS. Cheque sequence 101681 - 101740.</p>	<p>A record should be maintained of all new cheques as they are received at the school.</p>
<p>5.4.1 Low</p>	<p>When examining income received for the school's budget account between November - December 2014, the following delays were identified in banking and updating SIMS:</p> <p><u>£142.48 Rags 2 Riches 4 Schools</u> Cheque advice dated 24th November. Cheque paid in on 17th December. SIMS updated 15th December.</p> <p><u>£113.57 Best - staff sickness</u> Letter notification of amount to be credited dated 18th November. The amount appears on the bank statement on 21st November. SIMS updated 2nd December.</p>	<p>Once the school are aware of income to be paid into the school budget account, SIMS should be updated immediately and the income should be banked without delay.</p>
<p>5.5.1 Low</p>	<p>The school's equipment is not marked as property of the school for security purposes.</p>	<p>Equipment should be asset registered and adequately marked for security purposes.</p>

AUDIT NAME : PENSIONS

DATE FINAL REPORT WAS ISSUED : 15TH APRIL 2015

INTRODUCTION

The responsibility for the RCT Pension Fund lies with the Group Director, Corporate & Frontline Services. It is administered within the Financial Services Division and is delivered operationally by the Pensions Administration Manager.

Rhondda Cynon Taf County Borough Council is the administering authority for the RCT Pension Fund. The Fund consists of over 40 employers ranging from the 3 unitary authorities Rhondda Cynon Taf, Merthyr Tydfil and Bridgend as well as other bodies including colleges and other employers who work closely with local government.

The Service is also responsible for the interpretation of all pension legislation, the creation and maintenance of records, calculation and payment of benefits and the provision of information to employers, employees and other relevant bodies.

The Public Service Pensions Act 2013 introduces a number of changes to public service pension schemes, including some significant changes for the governance of such schemes. One key change is the requirement for each scheme manager in the Local Government Pension Scheme (LGPS) to create a local Pension Board and for its establishment, composition and terms of reference to have been approved by the 1st April 2015.

The role of the Pension Board as defined by sections 5(1) and 5(2) of the Public Service Pensions Act 2013, is to assist Rhondda Cynon Taf County Borough Council Administering Authority as Scheme Manager to: -

- Secure compliance with the Principal Regulations and any other legislation relating to the governance and administration of the LGPS;
- Secure compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and
- Ensure the effective and efficient governance and administration of the LGPS by the Scheme Manager.

The Pension Board will provide oversight of the above matters and accordingly it is not a decision making body in relation to the management of the Fund itself. It could however make recommendations to assist the Scheme Manager. The creation of the Pension Board does not change the core role of the Scheme Manager nor the way it delegates its pension fund responsibilities.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2014/15, agreed by Audit Committee, a review of the preparatory work in relation to the establishment of a Pension Board was undertaken.

AUDIT OPINION

The preparatory arrangements in relation to the establishment of a Pension Board are considered to be effective.

On 14th January 2015 Rhondda Cynon Taf Council (as Scheme Manager / Administering Authority) gave its formal approval to establish a Pensions Board and agreement to the draft Terms of Reference in accordance with the new regulatory requirements. Whilst a draft terms of reference is in place, the

approach by which the Pension Board will discharge its responsibilities will be at the Board's discretion (in accordance with the Shadow Scheme Advisory Board 'LGPS Pension Fund Board Guidance' document).

In order to assist the Pension Board in fulfilling its responsibilities, provisional places have been booked on their behalf at a LGA Pension Board Member specific training seminar due to be held on the 9th May 2015. It is the intention that this training seminar will also fulfil the role of providing members with an all-embracing induction. However where necessary this will be supplemented by pension officers / pension adviser support as appropriate, in recognition of the potential knowledge and skills gap inherent of a new governance model.

The Pension Board will consist of two member and two employer representatives, with the appointment process delegated to the Director of Human Resource and Director of Legal Services (who are independent from existing Fund's pension governance groups). At the time of the fieldwork for this review, the recruitment process was underway and initial feedback confirmed adequate and suitable interest in the posts, from the diverse range of stakeholder groups. The recruitment packs provided with the potential applicants with a 'Conflicts of Interest Policy' declaration and detailed roles and responsibilities, with subsequent appointments considered against criteria developed from the LGPS Board guidance.

The Council (as the administering authority) has been prudent throughout the process by ensuring that all arrangements are checked by the appointed fund actuary in order to provide independent specialist assurance that the governance proposals fulfil the new statutory responsibilities.

The first meeting of the Pension Board is due to be held during June 2015.

AUDIT NAME : TAXATION

DATE FINAL REPORT WAS ISSUED : 14TH JULY 2015

INTRODUCTION

Value Added Tax (VAT) was introduced to the UK in April 1973 and is administered by Her Majesty's Revenues and Customs (HMRC). The Council is registered and therefore, VAT is a tax chargeable on the value added by this Council for the supply of goods and services.

At present there are 5 VAT rates:-

1. Taxable: Standard Rated (ST) 20%
2. Taxable: Reduced Rate (SU) 5%
3. Taxable: Zero Rated (ZR) 0%
4. Non-Taxable: Exempt (EX)
5. Non-Business: Outside of Scope (OS)

The circumstances in which these rates apply vary according to the goods or services being supplied.

The Authority prepares and submits returns on a monthly basis in order to reclaim VAT. The Capital, Grant & Taxation Team prepare the returns which are based on reports generated from the Authority's finance systems.

In the late 1980's legislation was introduced which gave HMRC greater powers against those who failed to comply with VAT regulations. The result has been that failure to charge VAT appropriately on income or the reclaiming of VAT inappropriately on expenditure now attracts, at least, an interest charge by HMRC, in the case of larger sums a misdeclaration penalty may also be imposed. HMRC may visit the Council at any time to audit the Council's records, documents and procedures.

Taxation / VAT is considered to be a high risk area as it is central to the financial well-being of the Council and as such is incorporated into the Audit Plan on an annual basis.

SCOPE & OBJECTIVES

In accordance with the agreed Internal Audit Operational Plan for the Financial Year 2014/2015 a review of Taxation was undertaken specifically focussing on the Council's administration of VAT.

The specific control objectives examined were to ensure that:-

- All Sundry Debtor invoices raised to the NHS correctly account for VAT.
- Comprehensive Schools are correctly accounting for VAT on their sports income.

AUDIT OPINION

Overall the control environment specifically relating to the administration of VAT is considered to be effective with opportunity for improvement.

NHS Sundry Debtor Invoices

Audit testing identified some external invoices being raised and issued which incorrectly accounted for VAT. In addition, it was also identified that other external invoices had been raised and issued; however, their accuracy in accounting for VAT could not be confirmed with the VAT team without further investigation and confirmation with service areas.

The VAT team / management should investigate each of the external invoices and ensure that the officers responsible for actually raising them are made aware of the correct codes to be used.

Comprehensive School Sports Income

Each of the four comprehensive schools visited had hirers who block book and HMRC has developed specific guidelines, which allows these users to potentially be exempt from VAT charged at the Standard Rate. Audit testing identified that each of these four schools had not fully complied with the HMRC Block Booking guidelines.

If the hirers are not able to comply with HMRC Block Booking guidelines then the full booking period should be subject to VAT charged at Standard Rate (rather than an Exempt, Zero Rate or Outside of Scope category).

Typically it was noted that schools are not obtaining details to confirm that the hirer is an affiliated club, the booking periods are occasionally less than 10 lets and intervals in hire exceed 14 days or more.

In addition to block bookings, VAT had also been incorrectly treated on individual bookings at two of the four schools and one of the four comprehensive schools also had a separate bank account to receipt all sports hire income, rather than use the schools official bank account.

The issues in the report need to be addressed, in order to provide the necessary improvements in management control and to comply with HMRC guidelines.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>High</p>	<p>22 external invoices, raised to a variety of NHS trusts and Departments in Wales, were queried with the officers who raised them and the officers of the VAT team to establish whether they correctly accounted for VAT.</p> <p>For the 22 invoices examined it was established that :-</p> <ul style="list-style-type: none"> • 13 of the invoices correctly accounted for VAT (details of these invoices 	<p>Management should ensure that all external invoices raised to the NHS correctly account for VAT.</p> <p>Management should ensure that the invoices identified as incorrectly or potentially incorrectly accounting for VAT are addressed directly with the appropriate officers / teams raising them, to ensure any further invoices are raised</p>

	<p>provided to the VAT team separate to this report)</p> <ul style="list-style-type: none"> • 4 of the invoices incorrectly accounted for VAT, details as follows:- <p>1) 03/11/14 Raised by Community Services Finance to Cwm Taf University Health Board. Invoice no. 3146057** for £31,134.96. VAT treatment Outside the Scope (OS) is incorrect as this is an onward supply of healthcare which is an Exempt (EX) supply.</p> <p>2) 05/01/15 Raised by Social Services Taff Ely to Cwm Taf University Health Board. Invoice no. 3146989** for £29,043.57. VAT treatment Outside the Scope (OS) is incorrect as this is an onward supply of healthcare which is an Exempt (EX) supply.</p> <p>3) 02/05/14 Raised by Community Services Finance to Cwm Taf University Health Board. Invoice no. 3143293** for £22,039.00. VAT treatment Outside the Scope (OS) is incorrect as this is an onward supply of healthcare which is an Exempt (EX) supply.</p> <p>4) 08/01/15 Raised by Environmental Finance to Cwm Taf University Health Board. Invoice no. 3447010** for £19,620.49. VAT treatment Exempt (EX) is incorrect as the correct VAT treatment for Clinical Waste collection is Outside the Scope (OS).</p> <p>For the remaining 5 invoices sampled it could not be established whether the VAT treatment on each was correct. The NHS (Wales) Act 2006 states that if the authority could establish a legislative power that enables or compels joint working then VAT at Standard Rate does not have to be applied, but only the Head of Service can formally confirm this.</p>	<p>correctly.</p>
<p>5.2.1</p>	<p>All schools should comply with HMRC guidelines for VAT on all the income they receive from their sports lettings.</p>	<p>Management should resolve each of the issues identified to ensure that each school is correctly accounting for VAT on</p>

<p>Medium</p>	<p>The type of sports lettings available at each school varies, but typically they may have sports fields, Astro turf pitch and sports halls available for hire.</p> <p>Users can typically book and pay the hire rate set by the school or alternatively 'block book', however, there are specific HMRC guidelines on the treatment of VAT on block bookings which may allow the booking to be exempt from VAT.</p> <p>Four comprehensive schools were visited to establish how they accounted for VAT on their sports income, the following issues were noted:-</p> <p>1. Treorchy Comprehensive School</p> <p>a. All block bookings are charged as VAT exempt if the booking is for 10 or more lets and they are an affiliated club. This exemption should not apply when the bookings, for example, to ** RFC straddles a 2 week school holiday.</p> <p>b. Invoices to users are raised termly in arrears.</p> <p>2. Tonypandy Community College</p> <p>a. Athletics in the sports hall - VAT incorrectly charged as either Exempt or Zero Rate. Correct treatment is Standard Rated.</p> <p>b. Football in the sports hall to AFC ** - VAT incorrectly charged as Exempt. Correct treatment is Standard Rated.</p> <p>c. Table Tennis in canteen to ** - VAT incorrectly charged as Zero Rate. Correct treatment is Exempt.</p> <p>d. Invoices to users are raised termly in arrears.</p>	<p>all their sports income.</p> <p>In particular consideration should be given to the VAT treatment on income in relation to block bookings.</p> <p>Management should also consider the best methods of updating / assisting all schools in their treatment of VAT on sports income.</p> <p>Techniques could include the issuing / re-issuing of all VAT guidelines or training / awareness sessions.</p>
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	<p>3. Ysgol Gyfun y Cymer</p> <p>a. Rugby in the sports hall to ** U'18s / Girls - VAT incorrectly charged as Exempt as no evidence of being an affiliated club and the booking straddles the 2 week Christmas holidays. Correct treatment is Standard Rated.</p> <p>b. Football in the sports hall to AFC ** - VAT incorrectly charged as Exempt as no evidence of being an affiliated club. Correct treatment is Standard Rated.</p> <p>4. Aberdare High School</p> <p>a. The Sports Hall at Aberdare High is block booked for approximately 20 hours per week to approximately 10 different users for a variety of activities such as football, circuits and dancing. The hourly rates are £10 (junior) and £20 (adult) and total approximately £300 per week. No VAT at Standard Rate is applied to any booking and there is no evidence to support each hirer complying with HMRC block booking guidelines.</p> <p>b. All income received for the Aberdare High sports hall is banked into an account named 'Dare Valley Community Sports Hall' and not the schools bank account.</p> <p>c. Invoices to users at both Aberdare High and the Blaengwawr Comprehensive site are raised approximately every 2 months in arrears.</p>	
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CHIEF EXECUTIVE'S AND CORPORATE & FRONTLINE SERVICES

AUDIT NAME : RECRUITMENT CHECKS & AMENDMENTS TO PAYMENT

DATE FINAL REPORT WAS ISSUED : 8TH JULY 2015

INTRODUCTION

Employees of the Council receive payment of their salaries/wages via the integrated Human Resources and Payroll system – Vision.

The Human Resources Service of the Council is within the Chief Executive's Division with the responsibility of the Payroll Service being within the Corporate & Frontline Services Group.

Following the implementation of the Council's Job Evaluation and revised Terms & Conditions in 2011, a 'Change Control' Panel was established to ensure that workforce amendments i.e. Secondments, Honoraria, Agency, Management of Change payments, Regradings and Restructures are reviewed and challenged for appropriateness (employment and financial scrutiny) across all Council groups.

The accuracy of payments received by all employees is dependent on information flowing through the Vision system via an accurate and timely process, subject to the necessary 'checks and approvals' along the way.

There are three main 'work streams' flowing through the system:

- Administration of new starters to posts.
- Amendments to the details of a current employee.
- Administration of employees leaving the employment of the Council.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2014/15, agreed by Audit Committee, a review of the checks undertaken at the stage of recruitment along with amendments to employees' payroll details was undertaken.

The primary purpose of the audit review was to provide management with an opinion on the adequacy and effectiveness of the internal control systems in operation. The objectives of the review were to ensure that:-

- There is documentary evidence to support the creation of a new employee.
- There is documentary evidence to support amendments of employee's salary.
- There is documentary evidence to support the termination of an employee.

AUDIT OPINION

The overall control environment is considered to be effective with opportunity for improvement.

The procedures and workflows within the system are robust, with appropriate approval mechanisms built in at key stages. However, whilst the systems in place are robust there is always the inherent risk that if the information input into the system is not accurate and/or timely, then under and/or over payments

may occur.

New Starters

The overall control environment in relation to the administration of new employees is considered to be effective with opportunity for improvement. Minor issues were noted in respect of our sample selected for testing, as follows:

- Contract letters had not been promptly sent to 2 new starters.
- 2 references had not been received prior to the employee commencing in post for 2 new starters.

Amendments to pay

The overall control environment in relation to the administration of honorarium payments and secondments of employees is considered to be effective with opportunity for improvement. The Change Control Panel helps ensure a close working synergy between the Manager, Human Resources and Payroll.

All officers who received an honorarium and/or were seconded during the period covering August 2014 to November 2014 were examined to ensure they had been authorised and correctly entered and processed on Vision / Payroll. Managers from Human Resources and Payroll met during each of these months as the 'Change Control Panel' to formally discuss the honorarium payments and secondments requiring approval. Based upon our sample it was noted that:-

- No evidence available to confirm that some secondments had been considered / approved by the Change Control Panel.
- Some secondments continued despite exceeding the date originally approved by the Change Control Panel.
- Secondment end dates are not always recorded in Vision.

Employees leaving the Council

For the sample of leavers it was established that correspondence had been issued to all leavers before their leaving date, and the date recorded on the payroll system agreed to the correspondence letter sent.

The implementation of the recommendations made within the report will enhance the overall control environment further.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Medium</p>	<p>All new starters commencing in a post receive a contract from Human Resources setting out their terms of employment, including salary details and working hours.</p> <p>For a sample of 20 starters it was established that each had been sent a contract, however there were delays in issuing 2:</p> <ul style="list-style-type: none"> • Employee 0322** start date 29/6/14 contract sent 30/12/14 	<p>All contracts should be promptly issued to all new starters so that any anomalies can be promptly resolved.</p>

	<ul style="list-style-type: none"> Employee 0325** start date 2/9/14 contract sent 24/10/14. 									
<p>5.1.2 Medium</p>	<p>Section 9.1 of the Recruitment and Selection Procedures states that two references are required for all new starters to commence in post. Examination of a sample of 20 new starters established that the two references had not been received for 3, before the post start date:</p> <ul style="list-style-type: none"> Employee 0324** start date 1/9/14 references received 28/8/14 (current employer) and 17/9/14 (personal). Employee 0322** - start date 17/7/14, references received 5/8/14 and 24/9/14. Employee 0325** – start date 2/9/14, references received 11/10/14 and 4/11/14. 	<p>The Recruitment and Selection Procedures should be complied with for all new starters.</p> <p>Two references should be received prior to an employee starting in a new post.</p>								
<p>5.2.1 Medium</p>	<p>For Officers to be seconded, the Council's 'Change Control Panel' ensures that employment process and financial capacity are appropriate. The approval includes a specific timescale to which a secondment should apply.</p> <p>A sample of secondments processed via the Vision system were selected for review (covering the period August 2014 to November 2014). The following anomalies were noted:</p> <table border="1" data-bbox="427 935 1263 1353"> <tr> <td>Emp. No.</td> <td>0261**</td> </tr> <tr> <td>Grade Details</td> <td>Grade 7 to 10</td> </tr> <tr> <td>Secondment Dates - Vision</td> <td>01/09/2014 to 31/03/2015</td> </tr> <tr> <td>Comments</td> <td>Vision notes indicate that the secondment was approved at the Change Control Panel that took place in September 2014. However, a review of the minutes from the September Panel indicates that this secondment was not considered.</td> </tr> </table>	Emp. No.	0261**	Grade Details	Grade 7 to 10	Secondment Dates - Vision	01/09/2014 to 31/03/2015	Comments	Vision notes indicate that the secondment was approved at the Change Control Panel that took place in September 2014. However, a review of the minutes from the September Panel indicates that this secondment was not considered.	<p>Management should resolve each of the issues highlighted.</p> <p>Thereafter, management should ensure that all officers receiving a Secondment:-</p> <ul style="list-style-type: none"> Have been approved by the Change Control Panel, The start and end dates entered into Vision are accurate and as approved by the Change Control Panel, Extensions should be approved by the Change Control Panel.
Emp. No.	0261**									
Grade Details	Grade 7 to 10									
Secondment Dates - Vision	01/09/2014 to 31/03/2015									
Comments	Vision notes indicate that the secondment was approved at the Change Control Panel that took place in September 2014. However, a review of the minutes from the September Panel indicates that this secondment was not considered.									

Emp. No.	0232**
Grade Details	Grade 6 to 7
Secondment Dates - Vision	01/09/2014 to 31/03/2015
Comments	Minutes from the Change Control Panel confirmed a Secondment end date 28/2/15.
Emp. No.	0242**
Grade Details	Grade 5 to 8
Secondment Dates - Vision	17/09/2014 to 31/03/2015
Comments	No evidence of being presented and / or approved by Change Control Panel.
Emp. No.	0144**
Grade Details	Grade 6 to 7
Secondment Dates - Vision	24/11/2014 to 03/01/2015
Comments	Change Control Panel agreed to Secondment end date 31/12/14
Emp. No.	0324**
Grade Details	Grade 3 to 4
Secondment Dates - Vision	19/11/2014 to 19/12/2014
Comments	Minutes from the Change Control panel confirmed the Secondment was to Grade 2 with the end date 31/3/15. Vision indicates secondment end date of

	12/4/15. As at 29/4/15 the secondment was still ongoing.	
Emp. No.	0069**	
Grade Details	Grade 7 to 7	
Secondment Dates - Vision	From 01/09/14 to no end date	
Comments	No evidence of being presented and / or approved by Change Control Panel.	
Emp. No.	0276**	
Grade Details	Grade 6 to 9	
Secondment Dates - Vision	From 17/11/14 to 'no end date'	
Comments	No evidence of being presented and/or approved by Change Control Panel.	
Emp. No.	0048**	
Grade Details	Grade 6 to 9	
Secondment Dates - Vision	From 01/08/2014 to 31/12/2014, (still being paid as at 10/2/15).	
Comments	No evidence of being presented and / or approved by Change Control Panel.	
Emp. No.	0166**	
Grade Details	Grade 6 to 7	
Secondment Dates - Vision	From 01/09/2014 to 31/03/2015. Secondment still ongoing.	
Comments	Minutes from the Change Control Panel confirmed that Secondment end date	

	28/2/15.	
Emp. No.	0112**	
Grade Details	Grade 5 to 9	
Secondment Dates - Vision	From 11/08/2014 to 31/01/2015	
Comments	Minutes from the Change Control Panel confirmed that Secondment end date 11/2/15	
Emp. No.	2819**	
Grade Details	Grade 4 to 6	
Secondment Dates - Vision	From 26/08/2014 to 28/02/2015. As at 29/4/15 secondment still ongoing.	
Comments	Minutes from the Change Control Panel confirmed Secondment start date 1/9/14.	
Emp. No.	0216**	
Grade Details	Grade 2 to 3	
Secondment Dates - Vision	From 20/01/2014 to 31/03/2015. As at 29/4/15 secondment still ongoing.	
Comments	Minutes from the February 2014 Change Control Panel meetings confirmed Secondment to 31/7/14 and the September 2014 Change Control Panel confirmed extension of Secondment to 31/3/15. Therefore no approval for August 2014.	
Emp. No.	0231**	

	Grade Details	Grade 5 to 6	
	Secondment Dates - Vision	From 04/02/2013 to 31/01/15. As at 29/4/15 secondment still ongoing.	
	Comments	<p>Minutes from the February 2013 Change Control Panel meetings confirmed Secondment from 04/02/13 to 04/08/2013. The October 2013 Change Control Panel confirmed extension of Secondment to 31/01/2014. The next extension was from 01/08/2014 to 31/01/2015 which was agreed at the August 2014 Change Control Panel. Therefore no Change Control Panel approval for the Secondment periods 05/08/2013 to October 2013 and 01/02/2014 to 31/07/2014.</p>	
	<p>In addition to the specific examples noted above, it was confirmed that secondment end dates are not always recorded in Vision.</p>		

COMMUNITY & CHILDREN'S SERVICES

AUDIT NAME : COMMUNITIES FIRST

DATE FINAL REPORT WAS ISSUED : 7TH JULY 2015

INTRODUCTION

From 1st April 2012, Communities First was renewed as a Community-Focused Tackling Poverty Programme. The programme continues to have a geographic focus, concentrating on the most deprived communities in Wales, but with an increased emphasis on ensuring that the most vulnerable individuals, families and groups in those communities are supported.

There are eight clusters in Rhondda Cynon Taf, each of which is supported by a delivery team led by a Cluster Manager. The role of the team is to manage the overall programme within the Cluster area and ensure effective implementation of their respective delivery plans.

A total of £10.8m over two years has been allocated to the Council in its role as a Lead Delivery Body (LDB) with a Central Support Team in place to manage the grant and Council Employed Cluster Managers.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2014/15, agreed by Audit Committee, a review of Communities First was undertaken. Specific control objectives included:

- To ensure monitoring mechanisms for the delivery of the Communities First programme are robust.
- To ensure that reported outcomes for each Cluster are recorded accurately and appropriately evidenced.

AUDIT OPINION

Overall, the control environment is considered to be insufficient and requires improvement.

In the absence of formal guidance from the Welsh Government in respect of procedures and standard documentation to complete, Management has developed their own for use by the Cluster Managers and delivery staff. Audit testing focussed on a sample of projects at each of the eight Communities First Clusters, which were delivered by both Rhondda Cynon Taf and third sector organisations. While there were evident examples of good practice, the predominant theme emerging from fieldwork is inconsistency and a lack of compliance with the in-house procedures. This is likely due, in part, to the fact that the staffing and delivery structure of the programme differs in each of the eight clusters. However, the report outlines a number of inconsistencies in project data recording and collation and review which, ultimately, impact on the clusters ability to fully substantiate the performance data reported.

The review mainly focussed on the quantitative measures reported on a quarterly basis during 2014/15. The files maintained were examined to ensure that the reported numbers of participants engaged per project and the sessions held to deliver the project were evidenced. The success with which this was possible was dependent on the level of information captured on file and the transparency with which the reported figures had been calculated. The best projects examined were those where quarterly performance data was collated, with summaries of the participants, sessions etc., that bridged the gap

between the formal reported figures and the individual paper records on file. Since the review, Management have confirmed that a year end audit has been completed and that the data reported to Welsh Government is now accurate.

The report contains recommendations in respect of the Central Support Team and their role in ensuring the Clusters are capturing and reporting their delivery appropriately. It was evident that while all clusters have been subject to review/monitoring visits, the process currently lacks formality. Details of visits and feedback issued was consistently recorded and retained, but there has been no structured reporting and follow-up process to ensure recommended changes have been implemented. It is recommended that Management formalise this process, and determine the format, frequency and extent of regular monitoring activity at each of the eight clusters. In addition, they should establish a local reporting mechanism, where each cluster will collate their performance data, which will allow the Team to provide a meaningful reconciliation/challenge function.

Implementation of the report recommendations provides Management with an opportunity to enhance and standardise existing procedures that will aid the Central Support team and Cluster Managers alike.

Management has accepted all of the recommendations within the report and have requested that a follow-up audit is undertaken during September 2015.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION
<p>5.1.1</p> <p>Medium</p>	<p>Registration forms have been devised to capture information about individuals who engage in the Communities First programme.</p> <p>It was evident from visits to each of the eight clusters that the manner in which registration forms are retained was inconsistent. Examples include:</p> <ul style="list-style-type: none"> • Filed on an individual project or thematic basis. • Filed collectively in alphabetical order • Filed collectively using a unique numbering session. <p>Barring the last example, the systems employed, on occasion, hindered the ability to locate registration forms that formed part of the audit sample.</p> <p>Sample testing took place to ensure that completed registration forms were available for claimed participants in each of the Clusters visited.</p> <p>While the different systems used to retain registration forms (noted above) and the lack of participant information on file (as per 5.1.2) proved</p>	<p>Management should introduce a consistent approach to the retention of Communities First registration forms across all clusters.</p> <p>A model of good practice, as noted in Rhondda Fach, where all participants are allocated a unique number (and so forms are filed collectively in this order) could be considered for roll-out at the remaining clusters.</p> <p>All Cluster Managers should ensure that participants are not claimed unless a completed registration form has been obtained and retained.</p>

	prohibitive on occasion, it was evident that there were missing registration forms in each of the clusters regardless.	
5.1.2 Medium	Examination of a sample of Communities First projects identified inconsistencies in: The extent to which participant information per quarter was documented. The extent to which session information per quarter was documented.	All Cluster Managers should ensure that project files contain details (i.e. Name, date joined) of the claimed participants per quarter. All Cluster Managers should ensure that project files contain a summary of all the claimed sessions per quarter.
5.1.3 High	Participant figures for all Communities First projects are formally reported via Aspire View on a quarterly basis. In the absence of detailed participant information i.e. who was 'claimed' as engaged in the project and in what quarter, (as per 5.1.2) it was not always possible to reconcile the figures formally reported to the information recorded on file. Notwithstanding this, each of the sampled projects was examined and reconciled to the participant data recorded on Aspire View where possible. Issues noted included: <ul style="list-style-type: none"> • Participant figures have been overstated • Participant figures have been understated • Participant figures have been input incorrectly/transposed • Participant figures have been incorrectly calculated. 	The participant figures reported should be indicative of actual engagement in the projects. Implementation of recommendation 5.1.2 to ensure project files contain quarterly participant information should help ensure that reported figures are evidently linked to the project file contents.
5.1.4 High	Session figures for all Communities First projects are formally reported via Aspire View on a quarterly basis. In the absence of detailed session information i.e. what dates were 'claimed', whether they were half day/full day etc (as per 5.1.2) it was not always possible to reconcile the figures formally reported to the information recorded on file.	The session figures reported should be indicative of actual time spent on each project. Implementation of recommendation 5.1.2 to ensure project files contain quarterly session summaries should help ensure that reported figures are evidently linked to the project file contents.

	<p>Notwithstanding this, each of the sampled projects was examined and reconciled to the participant data recorded on Aspire View where possible.</p> <p>Issues noted included:</p> <ul style="list-style-type: none"> • Session figures have been overstated • Session figures have been understated • Session figures have been input incorrectly/transposed • Session figures have been incorrectly calculated. <p>On occasion, the interpretation of what constitutes a session (as per 5.1.5) has had a bearing on whether the session figures could be fully verified.</p>	
<p>5.1.5 Medium</p>	<p>Reconciliation between the number of sessions claimed via Aspire View and the information held on the respective project files identified an evident inconsistency in how sessions were counted.</p> <p>Examples were noted in several clusters where project sessions did not take place for a variety of reasons but were still claimed.</p>	<p>Clarification on what constitutes a session and the circumstances under which those which did not take place could still be legitimately claimed (if any) should be sought and communicated to all Staff.</p>
<p>5.1.6 Medium</p>	<p>A format for Communities First registers has been devised, and all clusters have been advised to use them to capture all project sessions. They have provision for the project workers and participants to sign to confirm attendance.</p> <p>Examination of a sample of projects and their respective session registers identified inconsistency in the use of the recommended format, and the extent to which signatures were obtained from both Staff and Participants.</p>	<p>Management should re-iterate to all clusters that the recommended format for project registers should be used to capture engagement with participants.</p> <p>All Staff should be reminded of the need to obtain signatures from all participants and that they are also required to certify that the session has taken place as recorded.</p> <p>NB. It was evident during testing that the difficulties in obtaining participant signatures often arose with particular demographic groups i.e. young people. Clarification should be sought on whether the need to obtain signatures could be waived in such circumstances. An alternative method of</p>

		capturing/proving engagement on these occasions would need to be determined.
<p>5.1.7</p> <p>Medium</p>	<p>A common project sampled at each of the eight clusters was work/job club, all of which reported on a performance outcome in respect of participants who successfully enter employment.</p> <p>Each of the clusters visited advised that obtaining evidence of employment, particularly given that the participant has often stopped engaging as a result, can prove difficult.</p> <p>Notwithstanding this, the reported figures against this outcome were checked against the records maintained in project files for each of the sample.</p> <p>The extent and format of evidence obtained and retained differed across all clusters, and so it was not always possible to verify the figures that had been reported.</p>	<p>Management should determine the format of evidence required by Cluster Managers to legitimately claim outcomes such as 'entering employment'.</p>
<p>5.1.8</p> <p>High</p>	<p>Visits to each of the eight clusters identified that there were differences in the way in which performance data from projects was collated and input onto Aspire View.</p> <p>In some clusters, it was the responsibility of admin support to collate performance information, rather than the project workers or lead workers. It was evident that where issues arose in respect of interpretation, counting and inputting, it was due to the lack of ownership or 'sign-off' by the project/lead worker at the final stage.</p> <p>Several of the inaccuracies in participant and session figures reported, when raised with the respective Project Worker, were immediately acknowledged as being incorrect. It was acknowledged that had they seen</p>	<p>Management should define responsibilities for project workers, lead workers and the Cluster Managers in respect of collating, reporting and inputting of performance information.</p> <p>Data should be collated in a format which allows the respective project and/or lead worker to 'sign-off' quarterly figures before they are updated to Aspire View.</p>

	<p>them prior then this would have been identified.</p> <p>Although all Cluster Managers advised that they would check/challenge figures, the evident inaccuracies in some of those reported indicate that this may not be happening as consistently or effectively as required.</p>	
<p>5.2.1</p> <p>High</p>	<p>The Central Support Team is responsible for monitoring the performance of the Communities First Clusters and ensuring compliance with local and Welsh Government guidance.</p> <p>While all clusters have evidently been subject to review/monitoring visits, the process currently lacks formality.</p> <p>Details of visits and feedback issued was consistently recorded and retained, but there has been no structured reporting and follow-up process to ensure recommended changes have been implemented.</p> <p>Contact with clusters has been targeted for support, as a result of the Team having to react to emerging issues/concerns as they arise. Some clusters, such as Rhondda Fach, have benefited from a period of intervention in order to ensure that systems/processes are in place.</p>	<p>Management should determine the format, frequency and extent of regular monitoring activity at each of the eight clusters. The work undertaken at each should be captured in a consistent format that demonstrates the checks undertaken.</p> <p>The process should incorporate a reporting mechanism, whereby issues identified (and necessary remedial actions required) are formally documented and followed up within a defined period.</p>