



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

AUDIT COMMITTEE 17th September 2018	AGENDA ITEM NO. 7
REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES	FINALISED AUDIT ASSIGNMENTS

Author: Marc Crumby (Head of Internal Audit & Procurement Development Programmes)

1. PURPOSE OF THE REPORT

- 1.1 This report provides Members with a summary of audit assignments completed between 1st July 2018 and 4th September 2018.

2. RECOMMENDATIONS

It is recommended that Members:

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

3. REASONS FOR RECOMMENDATIONS

- 3.1 To help ensure that Audit Committee discharges its responsibilities in respect of reviewing and forming an opinion on the overall control environment in place across the Council.

4. BACKGROUND

- 4.1 The Audit Committee Terms of Reference (Point D) requires it to '*Review, scrutinise and issue reports and recommendations in relation to the Authority's financial affairs, and providing the opportunity for direct discussion with the auditor(s) on these*'.

- 4.2 In line with this requirement **Appendix 1** provides a summary of the audit assignments completed between 1st July 2018 and 4th September 2018. Members will note that the summary provides for each assignment: the Introduction, Scope & Objectives, Auditor’s stated opinion and a summary of all recommendations made for each audit review completed to final report stage within the stated period.
- 4.3 To help ensure Audit Committee effectively discharges the responsibility as set out in its Terms of Reference (and replicated at point 4.1 above), Members may wish to consider the principles noted below in addition to their own lines of enquiry:
- Are the conclusions made by Internal Audit reasonable / backed up by the findings reported?
 - Are the recommendations made by Internal Audit likely to support the necessary improvement in internal control?
- 4.4 Members will note that 4 audit assignments have been finalised in the period and are set out in Table 1 below.

Table 1 – finalised audit assignments

EDUCATION & LIFELONG LEARNING
CARDINAL NEWMAN ROMAN CATHOLIC COMPREHENSIVE SCHOOL
CWMBACH COMMUNITY PRIMARY SCHOOL
DARRENLAS PRIMARY SCHOOL
POST 16 PLANNING & FUNDING 2017/18

5. EQUALITY AND DIVERSITY IMPLICATIONS

There are no equality and diversity implications as a result of the recommendations set out in the report.

6. CONSULTATION

There are no consultation implications as a result of the recommendations set out in the report.

7. FINANCIAL IMPLICATION(S)

There are no financial implications as a result of the recommendations set out in the report.

8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 8.1 The provision of regular information in respect of the Council's Internal Audit Service supports the Council in demonstrating compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 8.2 Regulation 7 (Internal Audit) of Part 3 of the 2018 Regulations directs that: "*A relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.*"

9. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 9.1 The work of Internal Audit aims to support the delivery of the priorities contained within the Council's Corporate Plan – *The Way Ahead*, in particular 'Living Within Our Means' through ensuring that appropriate internal controls are in place to effectively manage resources.

WELL-BEING OF FUTURE GENERATIONS ACT

- 9.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risks to the achievement of objectives are being managed.

10. CONCLUSION

- 10.1 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.
- 10.2 In doing so, it enables Members to form an opinion on the overall control environment of the Council at the end of the financial year.

Other Information:-

Relevant Scrutiny Committee
Not applicable.

Contact Officer – Marc Crumbie



LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

AUDIT COMMITTEE

17th September 2018

FINALISED AUDIT ASSIGNMENTS

REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Marc Crumbie (Head of Internal Audit & Procurement Development Programmes)

Item: 7

Background Papers

None.

Officer to contact: Marc Crumbie



Appendix 1 - Summary of audit assignments completed between 1st July 2018 and 4th September 2018

EDUCATION & LIFELONG LEARNING

AUDIT NAME: CARDINAL NEWMAN ROMAN CATHOLIC COMPREHENSIVE SCHOOL

DATE FINAL REPORT WAS ISSUED: 16/07/2018

INTRODUCTION

Cardinal Newman Roman Catholic Comprehensive School is an 11 to 18 mixed English Faith school in Pontypridd. The School serves a wide catchment area, covering the Rhondda, Cynon, Taff Ely and Rhymney Valleys. There are currently 776 pupils on roll, of which there are 79 pupils in the sixth form. The proportion of pupils eligible for a free school meal currently stands at 13.63% which is below the national average 17.4%. The total budget for the School for the current financial year is in excess of £3.3m. The School was last subject to a routine audit review in February 2014 with a follow up review undertaken in February 2016. The Headteacher has confirmed that this report will be presented to the Full Governing Body at their Autumn Term 2018 meeting.

SCOPE & OBJECTIVES

All financial systems were considered and an assessment carried out in consultation with the Headteacher and Chair of Governors to identify those areas representing the highest risk to the School, and therefore necessitating review.

On the basis of this assessment, audit testing was carried out on the following areas of administration:

- Governance;
- Safeguarding;
- School Private Fund;
- Purchasing;
- Assets; and
- Petty Cash.

AUDIT OPINION

Governance

The control environment in respect of Governance is considered to be effective.

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. All minutes examined had been appropriately signed and the financial limits for delegated authority have been agreed and minuted. Staff involved in the financial decision making process have these



responsibilities delegated in their job descriptions and regular budgetary information from SIMS is provided to the Governing Body. A Register of Business Interests is in place at the School with all current declarations present at the time of audit.

There is one finding contained within this report relating to Governance, in that there are currently 3 Foundation Governor vacancies. It is however acknowledged that the Clerk to the Governors has advertised to fill these vacancies.

Safeguarding

The control environment in respect of Safeguarding & Educational Visits is considered to be effective, with opportunity for improvement.

Good practice is noted in that the School has established relevant Safeguarding and Child Protection Policies both of which were in place at the time of the audit review. The Child Protection Policy had recently been updated as part of the annual review process and was presented to the Governing Body on 5th February 2018. Following ratification, this was issued to all staff and a record made to demonstrate that each member of staff had received and read this Policy. A record is held at the School of staff who have been DBS checked and audit testing confirmed that no staff commenced employment at the school prior to the completion of the required pre-employment checks.

Level 1 training has been provided to the whole school, although no records were available to demonstrate that 1 member of staff and 3 casual members of staff have received formal training.

The School use the EVOLVE system to record details of residential / adventurous trips. Care should be taken to ensure that all trips/activities are entered within the correct timescales as this had not been done for any of the 5 trips examined. For routine off-site visits such as sporting fixtures/tournaments the Headteacher should ensure that a permanent record is made and retained, with staff made fully aware of their responsibilities for future events.

School Private Fund

The control environment in respect of the School Private Fund is considered to be effective.

The Treasurer maintains detailed records, with an adequate audit trail of all income and expenditure transactions. The account is subject to regular reconciliation and a copy of the most recent bank mandate is held on file. Evidence to support private fund expenditure incurred is also available at the School and there were no instances noted of fund expenditure that was not in line with the School Private Fund Regulations.

The School has standardised the process and records to be used for administering trips. A review of the records for 3 trips identified occasions where income had been received and recorded by the Treasurer on the Record of Daily Income; however, the subsidiary trip records had not been updated. This report recommends that all trip income records be passed to the Treasurer upon completion for assistance in reconciling the Statements of Account and identifying any errors.

Purchasing

The control environment in respect of the Purchasing System is considered to be effective.

There is a process in place in that all purchases are authorised by the budget holder prior to committing the School to expenditure. From a sample of 10 completed orders, 1 had not been authorised in accordance with this procedure. All payments in the sample examined were supported by valid VAT invoices and cheque signatories examine documentation prior to authorising cheques.

Whilst all cancelled cheques are retained at the School, inconsistencies were noted in that cheques are not always marked as cancelled or reference made

to any replacement cheque being issued. There were a large number of cancelled cheques at the School that had not been appropriately endorsed and could potentially be presented at a bank.

Assets

The control environment in respect of Assets is considered to be effective, and there are no findings contained within this report.

The School has a List of Building Development Priorities which covers the period 2017-19. There is a Service Level Agreement with the Local Authority and budgetary allocations are determined in accordance with the planned works of the Local Authority. The School Registrar is responsible for maintaining a list of all school electrical equipment, which is subject to annual review.

Petty Cash

The control environment in respect of the Petty Cash system is effective, and there are no findings contained within this report.

Expenditure from the account was minor in nature, had been authorised by the relevant budget holder and was adequately receipted. The account is reconciled by the School Bursar, who is independent of the day to day running of the account.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Low	<p>The membership of governing bodies is set out in Chapter 3 of The Government of Maintained Schools (Wales) Regulations 2005. The current composition of the School's Governing Body is as follows:</p> <ul style="list-style-type: none"> • 9 Foundation Governors • 3 Parent Governors • 2 LEA Governors • 2 Teacher Governors • 1 Staff Governor • 1 Headteacher <p>The number of Foundation Governors at a Faith School needs to 'outnumber the total number of all other Governors by 3'. Allowing for this requirement there should be 12 Foundation Governors in post as opposed to 9.</p>	<p>The School should continue to canvass to fill the Governor vacancies or make the necessary adjustments to the composition of the Governing Body so that the number of Foundation Governors outweighs the total number of all other Governors by 3 (and in doing so ensure compliance with Regulations).</p>	30 September 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	NB. It is acknowledged that an email was sent from the Clerk to the Governors to all Parishes on the 21st September 2017 advertising for Foundation Governors at the School.		
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: <i>'Governing Bodies should...ensure that all 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>Although it was established that Level 1 refresher training was provided to the whole school on 4th September 2017, the School were unable to demonstrate that 4 members of staff have received formal training (this includes 3 casual members of staff).</p>	<p>As a minimum requirement all staff identified should receive level 1 refresher training as soon as possible.</p> <p>The training record in place at the School should be updated as and when training is delivered / received. This will allow any gaps/refresher training to be easily identified.</p>	30 September 2018
5.2.2 Low	<p>The 'Planning and Approval Procedures for Educational Visits' states that residential visits / adventure activities must be 'planned and approved using the Evolve system at least 28 days before visit'.</p> <p>Examination of a sample of five visits recorded on Evolve identified the following :</p> <p>St Cassains Centre Kintbury - 15.1.18 Not created on EVOLVE until 8.1.18</p>	Care should be taken to ensure that all trips / activities are entered onto EVOLVE within the correct timescales and are correctly classified in order for the Outdoor Education Advisor to give the necessary assurance that the provider and trip arrangements are appropriate.	30 September 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Fairwater Ski Lesson - 20.12.17 Not created on EVOLVE until 13.12.17</p> <p>Pembrey Skiing taster - 20.7.17 Not created on EVOLVE until 4.7.17</p> <p>Surfing 2017 - 20.7.17 Although the trip was created on EVOLVE within the correct timescales, the trip was not authorised at School until 27.06.17.</p> <p>Llangrannog 28.4.17 Although the trip was created on EVOLVE within the correct timescales, the trip was not authorised at School until 20.04.17.</p>		
5.2.3 Medium	<p>Although the document 'Planning and Approval Procedures for Educational Visits' states that Schools can determine their own planning and approval requirements for School trips, it also states that Schools are strongly advised to use the EVOLVE system.</p> <p>Examination of the EVOLVE system identified that whilst all school trips are entered onto EVOLVE, routine off-site visits such as sporting fixtures are not.</p> <p>Discussions with the Head of PE established that a team sheet is provided to the Attendance Officer with details of each sporting fixture, including the pupils attending. However, the records are destroyed immediately after the game has taken place.</p>	<p>In addition to manual risk assessments, EVOLVE should be used to document all off-site visits, including those in relation to sporting fixtures / tournaments etc.</p> <p>All staff should be made aware of their responsibilities to avoid any confusion over future responsibilities.</p>	31 December 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.3.1 Medium	<p>The Fund Secretary is responsible for receiving pupil payments in respect of School trips and updating the trip records, which are maintained on Excel. Income is then passed to the Fund Treasurer where it is recorded on the Record of Daily Income (RODI), Fund Ledger and subsequently banked.</p> <p>The records relating to 3 School trips were examined:</p> <ul style="list-style-type: none"> • Cardiff Ski Board Centre • Oakwood • Harry Potter <p>It was noted that while the trip records show the pupils name, amounts paid in instalments, total balance and amount outstanding, dates of receipt are currently not recorded.</p> <p>Furthermore, variances were noted between the trip income records and the RODI in respect of 2 trips (i.e. Oakwood & Harry Potter) in that more income had been recorded by the Treasurer and banked than recorded by the Secretary on the trip record:</p> <p>Oakwood Trip Record – £1,072.50 RODI - £1,107.50 Difference - £35.00 more on RODI and banked</p> <p>Harry Potter Trip Record – £6,187.00 RODI - £6,522.00</p>	<p>An extra column should be added to the current trip income record to allow for the date of receipt to be recorded. Care should be taken to ensure that all income is recorded on both the trip records and RODI upon receipt.</p> <p>Once each trip has concluded, the trip income records should be printed and passed to the Fund Treasurer for retention and assistance in reconciling the Statements of Account to ensure that both sets of records correspond.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	Difference - £335.00 more on RODI and banked		
5.4.1 Medium	A review of the cancelled cheques present at the school revealed that a high volume of cheques were cancelled as a result of a printer jam. Examination of these cheques revealed that a number had not been fully endorsed as cancelled, and could potentially be presented at a bank.	All cancelled cheques should be clearly marked as 'Cancelled' stating the reason for the cancellation and making reference to any replacement cheque issued (if the case).	Implemented
5.4.2 Low	From a sample of 10 completed orders examined, 1 order had not been appropriately authorised by the budget holder (4931170102).	Care should be taken to ensure that all orders are authorised by the budget holder before the commitment to expenditure is made.	Implemented

AUDIT NAME: CWMBACH COMMUNITY PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED: 25/07/2018

INTRODUCTION

The self-evaluation process is designed to evaluate the effectiveness of a school's financial and governance arrangements. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Cwmbach Community Primary School was last subject to an Internal Audit Review in November 2014 and this is the second cyclical visit made to the School since the amalgamation of the former Infants and Junior schools to examine progress made under the self-evaluation process.

The Headteacher has confirmed that this report will be presented to the Full Governing Body at their Autumn Term 2018 meeting.

SCOPE & OBJECTIVES

The checklist for non-chequebook primary schools comprises of 105 standards that need to be reviewed. Audit testing was carried out on a sample of standards using transactions processed during financial year 2017/18 & 2018/19.

The objectives of the review were:

- To ensure compliance with Section 175 of the Education Act 2002, this requires Governing Bodies to have arrangements for exercising their functions with a view to Safeguarding.
- To ensure that the School Private Fund is appropriately administered in accordance with the requirements of the 2017 School Private Fund Regulations.
- To ensure that the Purchase Card is being used in accordance with the guidance and procedures issued by the Procurement Service.
- To ensure that all school meals income is identified, received and collected in accordance with Council Policy, arrears regularly reported and followed up and free meals only provided where entitlement has been confirmed by the Council.
- To ensure that all orders raised by the School are appropriate and reflected in the budget, are correctly authorised and comply with Financial Regulations.
- To ensure that all Formula Funding allocations are based on up to date and correct numbers of registered pupils, and an audit trail is maintained to ensure accountability and transparency of the numbers submitted.
- To ensure that the opportunities for unauthorised use of the School's IT equipment are restricted, that computer hardware and software is adequately protected and that the School and Governing Body are appropriately registered under the Data Protection Act.
- To review the governance arrangements in place at the School.

AUDIT OPINION



Governance

The control environment in respect of Governance is considered to be effective, with opportunity for improvement.

All statutory policies and documents were present at the time of the audit. Many of these had recently been reviewed following the appointment of the current Headteacher in October 2017, and were found to have been signed and dated by both the Chair of Governors and Headteacher. For some of the older policies, it was unclear as to when they were reviewed and presented to the Governing Body as many did not have cover sheets with these details recorded, and little evidence of them being presented to the Governing Body within meeting minutes.

A Register of Business Interests is in place; however there are currently 5 Governors who have yet to complete a declaration for this academic year. Discussion at the School revealed that none of these Governors have attended any meetings during the current academic year. The Headteacher should therefore liaise with the Governor Support Service regarding the attendance of the 5 Governors. The School currently has 1 Governing Body vacancy for which they should continue to endeavour to fill.

Safeguarding & Educational Visits

The control environment in respect of Safeguarding & Educational Visits is considered to be effective, with opportunity for improvement.

The School has a Child Protection Policy in place, this being reviewed in June 2017 and presented to the Governing Body in October 2017. A record is currently not made to demonstrate that each member of staff has received and read the Policy, and this report recommends that a record is introduced and held within the Safeguarding file.

Level 1 Safeguarding training was last undertaken by the whole School in April 2016. The Headteacher, Deputy Headteacher and three other members of staff have also received Level 3 safeguarding training. Certificates for the whole school and individual staff were present, however it was noted that both the Headteacher and Deputy Headteacher's Level 3 training was completed in November 2015, and is therefore due to be updated (as this is required every 2 years). The Headteacher maintains a training record showing details of all staff training provided and renewal dates, with copies of all certificates retained. All staff received a DBS check prior to commencing in post. The School use the Evolve system to document and authorise all planned trips that were audited.

Purchase Card

The control environment in relation to the Purchase Card is considered to be effective and there are no findings contained within this report.

There is one Purchase Card in operation at the School. A Transaction Log is maintained to record all expenditure and a card sharing log in place to document occasions where the card is used by other members of staff. All purchases reviewed were supported with documentation i.e. receipts, invoices, online orders, and a Record of Expenditure Without a Receipt pro-forma is in use.

School Private Fund

The control environment in relation to the School Private Fund is considered to be effective and there are no findings contained within this report.

The Treasurer maintains detailed records, with an adequate audit trail of all income and expenditure transactions. A manual ledger is maintained and this was found to be of an appropriate format, and was up to date at the time of the review. Income is banked weekly and the account reconciled to the bank statements monthly.

All expenditure within the sample was solely for the benefit of the pupils and was supported with receipts / vouchers. A review of the latest annual statement revealed that it was accurately completed and submitted in accordance with the deadlines contained within the School Private Fund Regulations.

School Meals

The control environment in relation to the School Meals system is considered to be effective and there are no findings contained within this report. School meals income is recorded directly onto SIMS, with meal numbers provided to Catering staff daily. Income is banked weekly and returns in respect of both catering and banking are submitted accordingly.

The School are sending reminders to parents in respect of dinner money arrears and Catering Finance provided with a ½ termly report. At the time of the visit only 2 pupils had arrears in excess of the 2 week limit and this was anticipated to be recovered in full prior to the end of Term.

Data Protection & Security

The control environment in relation to Data Protection & Security is considered to be effective and there are no findings contained within this report.

The School is currently registered with the Information Commissioner (expiry date July 2018). School data is backed up daily, this process being automated and a confirmation email sent to the School confirming completion.

The School inventory has recently been updated and IT equipment is asset registered and marked as the property of the School using permanent marker pen.

Formula Funding

The control environment in relation to Formula Funding is considered to be effective and there are no findings contained within this report.

Pupil numbers were reviewed and no discrepancies were noted.

Implementation of the recommendations contained within this report will enhance the control environment further.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Medium	It was difficult to establish when some of the School's Policies and documents were reviewed and when they are due to be reviewed / ratified / presented to the Governing Body due to the lack of information or detail included on the Policy document cover. While this was present on some occasions it was not the case for all policies and documents. It was also sometimes difficult to identify this from the Governing Body meeting minutes.	The Headteacher and Governing Body should ensure that they implement a rolling programme of review for all Policies. This will ensure that all Policies are up to date and reflect the current practices at the School. Any policies that are updated/amended need to be presented to the Governing Body for	31 December 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	Note: It is acknowledged that the Headteacher has only been in post full time since October 2017, since which time a review process has commenced.	ratification with a record held of this (recorded via the minutes). Details should be captured on the document covers i.e. date reviewed, date to be reviewed, signed and dated.	
5.1.2 Low	The School currently has one vacancy on the Governing Body. It is acknowledged that efforts have taken place to fill the vacancy.	The School should continue to endeavour to fill the vacancy as soon as possible.	Implemented
5.1.3 Medium	Section 2.9 of the Scheme for Financing Schools states that: <i>'Governing bodies are required to establish a register of business interests...which lists for each member of the governing body and the Head Teacher any business interests they or any member of their immediate family have. The register must be kept up-to-date by notification of changes from governors and the Head Teacher, and through an annual review process'</i> . It was identified that there were 5 Governors who had yet to complete a Declaration of Business Interests for this academic year. Discussion at the School revealed that this was due to the Governors having not attended any meetings this academic year.	A declaration of business interests should be completed on an annual basis which details the business interests of all Governors, the Headteacher and any other staff who may influence financial decisions at the School. The Headteacher should liaise with the Governor Support Service regarding the attendance of the 5 Governors.	31 December 2018
5.2.1 Medium	Point 3.1 of the Cwm Taf Safeguarding Children Board (CTSCB) Model Safeguarding Policy (that should be adopted by schools) states: <i>'The Designated Senior Person (DSP) for Child Protection will.....ensure that all staff have signed to say that they have received,</i>	The Headteacher should ensure that all staff sign to demonstrate that they have received, read and understood the latest Child Safeguarding Policy.	31 December 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>read and understood the Child Safeguarding Policy'</i></p> <p>The School's Safeguarding / Child Protection Policy was ratified by the Governing Body and provided to all staff in October 2017. However, no formal record is made to demonstrate that each member of staff has received and read the Policy.</p>	<p>Good practice would be to introduce a proforma with all staff names included and attached to the Master Safeguarding Policy and held within the Safeguarding file.</p>	
<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 all 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 the School currently have 5 members of staff who are Level 3 trained, it was noted that for 2 of these staff the last training provided was in November 2015 and is therefore due for renewal.</p>	<p>The Headteacher should ensure that Safeguarding training is renewed as and when required for all members of staff, and those certificates are received and retained accordingly.</p>	<p>31 December 2018</p>



AUDIT NAME: DARRENLAS PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED: 16/08/2018

INTRODUCTION

The self-evaluation process is designed to evaluate the effectiveness of a School's financial and governance arrangements. The process requires primary schools to complete a self-evaluation checklist against expected controls.

Darrenlas Primary School was last subject to an Internal Audit Review in June 2014 and this was the third cyclical visit made to the School to examine progress made under the self evaluation process.

The Headteacher has confirmed that this report will be presented to the Full Governing Body at their Autumn Term 2018 meeting.

SCOPE & OBJECTIVES

The checklist for chequebook primary schools comprises of 155 standards that need to be reviewed. Audit testing was carried out on a sample of standards using transactions processed during financial years 2017/18 and 2018/19.

The objectives of the review were:

- To review the Governance arrangements in place at the School.
- To ensure compliance with Section 175 of the Education Act 2002, this requires Governing Bodies to have arrangements for exercising their functions with a view to Safeguarding.
- To ensure that the School Private Fund is appropriately administered in accordance with the requirements of the 2017 School Private Fund Regulations.
- To ensure that the Purchase Card is being used in accordance with the guidance and procedures issued by the Procurement Service.
- To ensure that all school meals income is identified, received and collected in accordance with Council Policy, arrears regularly reported and followed up and free meals only provided where entitlement has been confirmed by the Council.
- To ensure that all orders raised by the School are appropriate and reflected in the budget, are correctly authorised and comply with Financial Regulations.
- To ensure that all Formula Funding allocations are based on up to date and correct numbers of registered pupils, and an audit trail is maintained to ensure accountability and transparency of the numbers submitted.
- To ensure that the opportunities for unauthorised use of the School's I.T. equipment are restricted, that hardware and software is adequately protected and that the School and Governing Body are appropriately registered under the Data Protection Act 2018.
- To ensure that the school's budget has been approved by the Governing body, is in line with the funding available, individual budget heads are reasonable and the budgetary information used for monitoring and reporting is complete, accurate and up-to-date.



- To ensure that petty cash is held securely, expenditure properly incurred and the account is appropriately monitored and controlled.

AUDIT OPINION

Governance

The control environment in respect of Governance is considered to be effective and there are no findings contained within this report.

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. The Governing Body and its sub committees have the requisite number of members and quorate levels for meetings were achieved. A Register of Business interests is in place at the School and is updated annually.

All statutory policies and documents are present at the School. These have recently been reviewed and been presented to the Governing Body for ratification, this being clearly recorded in the Governing Body minutes.

Safeguarding & Educational Visits

The control environment in relation to Safeguarding and Educational Visits is considered to be effective, with opportunity for improvement.

All staff received the appropriate clearances before commencing duties in their posts and have received Safeguarding and Child Protection training. The School have a Safeguarding and Child Protection Policy, which is reviewed annually, and there was documentary evidence at the School to confirm that all members of staff have received a copy of the Policy, and have read and understood it.

The School make use of the EVOLVE system to record details of all off-site visits. Care should be taken to ensure that all trips and activities are entered on to EVOLVE and submitted for approval within the correct timescales as this had not been done for 2 of the 3 trips examined.

School Private Fund

The control environment in relation to the School Private Fund is considered to be effective and there are no findings contained within this report.

The Treasurer maintains detailed records, with an adequate audit trail of all income and expenditure transactions. The Ledger was found to be of an appropriate format and was up to date at the time of the review. Income is banked regularly and the account reconciled to the bank statements monthly.

For the current academic year all expenditure examined was solely for the benefit of the pupils / School and in accordance with the School Private Fund Regulations. All items of expenditure examined were supported with receipts / invoices.

Purchase Card

The control environment in relation to the Purchase Card is considered to be effective and there are no findings contained within this report.

There is one Purchase Card in operation at the School. A Transaction Log is maintained to record all expenditure and a card sharing log is in place to document occasions where the card is used by other members of staff. All purchases reviewed were supported with documentation i.e. receipts, invoices, and confirmation for on-line orders.

Purchasing

The control environment in relation to the purchasing system is considered to be effective, with opportunity for improvement.

From a sample of 5 orders examined, 2 had been raised in retrospect after receipt of the goods and corresponding invoice. This report recommends that an

official order (confirmation if made by telephone) should be raised as soon as a commitment to expenditure is known.

School Meals

The control environment in relation to the School Meals system is considered to be effective and there are no findings contained within this report.

School meals income is recorded directly onto SIMS, with meal numbers provided to the Catering staff daily. Income is banked weekly and free school meals are only provided to pupils for whom eligibility has been confirmed and retained.

The School regularly send reminders to parents in respect of dinner money arrears and Catering Finance were provided with a ½ Termly report.

School Budget

The control environment in relation to the School Budget is considered to be effective and there are no findings contained within this report.

SIMS is updated with details of income in a timely manner and a bank reconciliation exercise is undertaken monthly. A regular review of the budget is undertaken by the Headteacher and details of the School's budgetary position is reported to the Governing Body at every meeting.

Data Protection & Security

The control environment in relation to Data Protection & Security is considered to be effective and there are no findings contained within this report.

The School is registered with the Information Commissioner and School data is backed up regularly. The School Inventory has recently been reviewed and IT equipment is asset registered.

Formula Funding

The control environment in relation to Formula Funding is considered to be effective and there are no findings contained within this report.

Pupil numbers were reviewed and no discrepancies were noted.

Implementation of the 2 recommendations contained within this report will enhance the control environment further.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Low	<p>The 'Planning and Approval Procedures for Educational Visits' states that residential visits / adventurous activities must be 'planned and approved using the EVOLVE system at least 28 days before visit'.</p> <p>Examination of a sample of trips recorded on EVOLVE revealed the following: Llanion Cove - 18.6.18 Created on EVOLVE 9.5.18</p>	<p>Care should be taken to ensure that all trips / activities are entered onto EVOLVE within the correct timescales in order for the Outdoor Education Advisor to give the necessary assurance that the provider and trip arrangements are appropriate.</p>	31 October 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Not submitted for authorisation until 6.6.18</p> <p>Llangrannog - 17.6.16</p> <p>Created on EVOLVE 7.6.16</p> <p>Not submitted for authorisation until 6.8.18</p>		
<p>5.2.1</p> <p>Low</p>	<p>Examination of a sample of five completed orders identified that two were raised on SIMS after receipt of the goods and/or the corresponding invoice:</p> <ul style="list-style-type: none"> • 4119180000 - Raised 26.4.2018, invoice dated 27th March 2018 • 4119180028 - Raised 8.6.2018, invoice dated 7th June 2018 	<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 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 invoice.</p>	<p>31 October 2018</p>



AUDIT NAME: POST 16 PLANNING & FUNDING 2017/18

DATE FINAL REPORT WAS ISSUED: 21/08/2018

INTRODUCTION

The Director of Education & Lifelong Learning determines budget shares for secondary schools in accordance with a formula which complies with the Financing of Maintained Schools Regulations 1999. One of the key elements taken into account is the number of registered pupils at each school prescribed by the Post 16 Planning & Funding Department. For 2017/18, the Welsh Government delegated the responsibility for allocating £9.6 million of 6th Form Funding to the Director of Education & Lifelong Learning.

To calculate and delegate 6th Form Funding fairly, schools need to demonstrate that pupils are following full-time programmes and are attending the appropriate lessons. As a way to demonstrate this, schools are required to ensure that clear and efficient registration practices are in place and that they are accessible to the Local Authority for monitoring purposes.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for financial year 2017/18, agreed by Audit Committee, a review of the procedures relating to the submission of data used in the calculation of 6th Form Funding was undertaken.

The primary purpose of the review was to provide management with an opinion on the adequacy and effectiveness of the supporting systems of internal control surrounding 6th Form Funding allocation. The specific control objective was: -

- To ensure that 6th Form Funding allocations have been accurately calculated and allocated to schools.

The audit review was carried out on a sample of pupils included in the October 2017 data extracted by the 14 to 19 Strategy Officer from each school's pupil database for 6th Form Funding. The schools selected were: -

- Pontypridd High School;
- Y Pant Comprehensive School;
- Cardinal Newman Roman Catholic Comprehensive School;
- Ysgol Gyfun Garth Olwg;
- Hawthorn High School; and
- Tonyrefail Comprehensive School.

AUDIT OPINION

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

Internal Audit is able to provide assurance that the funding returns submitted to the 14 to 19 Strategy Officer have been accurately completed. Compared to

previous reviews in this area, there have been improvements made at the schools visited during this review with regards to their claims submitted when compared to pupil timetables and course manager, with pupil data and information correctly input.

Notwithstanding this, issues have been identified at schools that require further improvements in relation to the procedures for recording both Morning and Afternoon class registrations in order to evidence that pupils are actually attending school and the lessons that were claimed for can be verified.

Recording a pupil's attendance at school accurately is important for the pupil, the school and the Council. From the evidence examined at the six schools sampled for this review, not all schools were able to demonstrate pupils are undertaking and attending full-time educational programmes due to inconsistent attendance registration processes.

The Welsh Government has determined that part-time students are not eligible as part of the Post-16 Planning and Funding Arrangement. If both Morning and Afternoon registrations are not being taken, as this review has identified, pupils may appear to be only part-time students as schools cannot demonstrate that the pupils are attending school on a full-time basis. This could have an impact on the funding received and schools should be reminded of the importance of maintaining accurate registers. Additionally, Class Registers are not always being taken, with YG Garth Olwg and Hawthorn High School of particular concern, whilst at Tonyrefail Comprehensive, Class Registers are taken but attendance of pupils in these lessons is poor.

The data collected during the audit identified 21,984 unauthorised absences. One of the six schools allows their pupils to 'self certify' their absences which is not permitted. Occasions were also identified whereby schools confirmed they assume that pupils were in school.

There are pupils who attend Tonyrefail School from outside the catchment area and discussions identified that the School are paying for the pupils' Bus Passes should they not be from that area, as they do not qualify for Home to School Transport. To facilitate this, money donated to the School and held in a 'Trust Fund' is being used.

A copy of the Trust Fund Terms and Conditions were requested a number of times from the School to determine if the conditions of the Trust Fund allow for this type of expenditure; however the requests were not actioned by Management in place at the School.

Implementation of the recommendations included in the report will further enhance the internal controls already in place.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<p>Within the Education (Pupil Registration) (Wales) 2010 Regulations, it is a requirement for schools to take both morning and afternoon registrations.</p> <p>However, the six schools sampled do not complete Morning and Afternoon registers appropriately.</p>	<p>Morning and Afternoon registrations should be taken for all pupils.</p> <p>Management should ensure periodic checks are in place to ensure schools are complying with this requirement.</p>	31 October 2018

	<p>Note: Cardinal Newman have their Year 13 pupils at Coleg y Cymoedd, Nantgarw whereby there is no Morning/Afternoon registration provision due to its college set up.</p> <p>Examples identified include:</p> <ul style="list-style-type: none"> • No afternoon registrations for pupils. <ul style="list-style-type: none"> ○ Pupils with Lessons (either at Lesson 4 or 5 depending on the school) have their Afternoon mark taken in those Lessons. However any pupils with no lessons timetabled do not. Pupils are assumed on site unless they sign out, but schools are not sure. • Hawthorn High School <ul style="list-style-type: none"> ○ No Morning/Afternoon registrations, the school rely on pupils signing themselves in, in the 6th form block. However, on examining the signing in/out forms, it was evident that pupils are either not doing this or are not attending school. 		
5.1.2 High	<p>Each school should have Procedures in place in respect of attendance and absences, and how absences are followed up.</p> <p>Each school visited confirmed they have these in place.</p> <p>For the period 4th September 2017 to 11th April 2018, there were a cumulative total of 21,948 unauthorised absences at the sampled schools.</p> <p>Additionally, Hawthorn High School allow their Year 12 & Year 13 pupils to 'self certify' their absences. The school will authorise an absence if the pupil gives an adequate reason for the absence. No formal confirmation is obtained from parents / guardians.</p>	<p>Schools should be reminded of the requirements in relation to school attendance and absences.</p> <p>Management should investigate the levels of unauthorised absences.</p> <p>Hawthorn High School should be instructed to cease the practice of 'self certification' by pupils for any absences.</p> <p>Management should ensure periodic checks are in place to determine whether schools are complying with requirements.</p>	31 October 2018
5.1.3	<p>At each of the schools sampled it was identified that class registers are not always being maintained for academic lessons as well as Key</p>	<p>Registers should be maintained for all subjects taught to ensure there is sufficient</p>	31 October 2018

<p>High</p>	<p>Skills and Welsh Bacculaureate lessons.</p> <p>This is of particular concern as it demonstrates that teachers are not fully aware of the implications of not completing class registers:</p> <p>Safeguarding</p> <ul style="list-style-type: none"> Schools must ensure the whereabouts of children at all times. <p>Funding</p> <ul style="list-style-type: none"> Unless schools can demonstrate each pupil is attending in a full time capacity, then evidence to support funding may not be in place. <p>Additionally the procedures for recording consortium lessons for 'visiting' pupils is deemed poor, as it was identified that schools are not liaising with each other to ensure pupils are attending and registers are up to date.</p> <p>The above issues were of particular concern at Ysgol Gyfun Garth Olwg and Hawthorn High.</p>	<p>evidence at each school to demonstrate that each pupil is attending the subjects as stated on their return.</p> <p>Schools need to be reminded that registers for consortium pupils also need to be maintained, with regular cross referencing between each consortium School.</p>	
<p>5.1.4</p> <p>High</p>	<p>There are pupils who attend Tonyrefail School from outside the catchment area.</p> <p>Discussions identified that the School are paying for the pupils' Bus Passes as they do not qualify for Home to School Transport.</p> <p>To facilitate this, money donated to the school and held in a 'Trust Fund' is being used.</p> <p>A copy of the Trust Fund Terms and Conditions were requested a number of times from the School but the requests were not actioned by Management in place at the School.</p>	<p>Guidance should be sought from the Temporary Director of Education and Lifelong Learning to establish if this practice is appropriate going forward.</p> <p>If it is deemed appropriate, the School must formally document the arrangement to ensure there is transparency in respect of the administration for this area.</p>	<p>31 October 2018</p>