

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MUNICIPAL YEAR 2017/18

COMMITTEE:

AUDIT COMMITTEE

19th February 2018

Item No. 5
Finalised Audit Assignments

REPORT OF:-

GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Marc Crumbie (Head of Internal Audit & Procurement Development Programmes)
(01443) 680779

1. PURPOSE OF THE REPORT

This report provides Members with a summary of audit assignments completed between 15th November 2017 and 1st February 2018.

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. AUDIT COMMITTEE TERMS OF REFERENCE

- 3.1 The Audit Committee Terms of Reference (Point C) 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*'.
- 3.2 In line with this requirement Appendix 1 provides a summary of the audit assignments completed between 15th November 2017 and 1st February 2018. Members will note that the summary provides for each assignment: 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.

3.3 To help ensure Audit Committee effectively discharges the responsibility as set out in its Terms of Reference (and replicated at point 3.1 above), Members may wish to consider the principles noted below in addition to their own lines of enquiry:

- Is the overall conclusion made by Internal Audit for each audit assignment reasonable / backed up by the findings reported?
- Are the recommendations made by Internal Audit likely to support the necessary improvement in internal control?

3.4 Members will note that 16 audit assignments have been finalised in the period and are set out in Table 1 below.

Table 1 – finalised audit assignments

<u>Audit Assignment</u>	<u>Overall Conclusion</u>
BRYNCELYNNOG COMPREHENSIVE SCHOOL	Effective with opportunity for improvement
BRYNNAU PRIMARY	Effective with opportunity for improvement
ELECTIVE HOME EDUCATION	Effective with opportunity for improvement
FERNDALE COMMUNITY SCHOOL (FOLLOW-UP)	Effective
GLENBOI PRIMARY (FOLLOW-UP)	Effective
HAWTHORN HIGH SCHOOL	Insufficient and requires improvement
LLANHARI PRIMARY	Effective with opportunity for improvement
LLANILLTUD FAERDREF PRIMARY SCHOOL	Effective with opportunity for improvement
LLWYNYPIA PRIMARY SCHOOL	Effective with opportunity for improvement
OAKLANDS PRIMARY	Effective with opportunity for improvement
TONYPANDY PRIMARY	Effective with opportunity for improvement
TREROBART PRIMARY	Effective with opportunity for improvement
YSGOL GYFUN GARTH OLWG	Effective with opportunity for improvement
LEISURE SERVICES REVIEW	Effective with opportunity for improvement
VISION PRODUCTS	Effective with opportunity for improvement
DISASTER RECOVERY	Effective with opportunity for improvement

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 of the Council at the end of the financial year.

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

19th February 2018

Report of the Group Director, Corporate & Frontline Services

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

Item

5. Finalised Audit Assignments

Contact Officer: Marc Crumbie
Head of Internal Audit & Procurement Development
Programmes
Bronwydd House
Porth
CF39 9DL
Tel. No. (01443) 680779

APPENDIX 1 – FINALISED AUDIT ASSIGNMENTS

This page intentionally blank

EDUCATION & LIFELONG LEARNING

AUDIT NAME: BRYNCELYNNOG COMPREHENSIVE SCHOOL

DATE FINAL REPORT WAS ISSUED: 19/12/2017

INTRODUCTION

Bryncelynnog Comprehensive School is an 11 to 18 mixed comprehensive school. There are currently 989 pupils on roll, including 152 in the sixth form. There are also 50 dual registered pupils who attend the sixth form for some lessons from a neighbouring school as part of a sixth form consortium. The proportion of pupils eligible for a free school meal currently stands at 11.92% which is below the national average of 17.4%. The School has an additional designated teaching resource primarily for pupils with autistic spectrum disorders. The total budget for the School for the current financial year is in excess of £4.7m. Bryncelynnog Comprehensive School was last subject to a routine Audit review in January 2014 with a follow up review undertaken in September 2015.

SCOPE & OBJECTIVES

All financial systems in operation 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; School Income; Purchase Card; and School Assets.

AUDIT OPINION

The overall control environment in relation to the School's financial systems and governance arrangements is considered to be effective with opportunity for improvement.

Governance

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 are achieved. 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 were in place at the time of audit. There are no findings within this report relating to Governance.

Safeguarding

Good practice is noted in that the School has established relevant Safeguarding and Child Protection Policies. However, 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. 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. However, it was noted that no details are obtained to ensure that short term supply staff have been DBS checked.

Level 2 training has been provided to the whole School although no records were available to demonstrate that 10 casual members of staff and one Governor attended / have received the required training.

The School use the EVOLVE system to record details of residential / adventurous trips. However, routine off-site visits relating to sporting fixtures/tournaments are not recorded on the system.

Assets

The School's inventory is currently maintained on SIMS and was last updated at the beginning of the autumn term 2017. A full review is carried out annually. The School sell a large variety of uniform items, however at the time of the audit the balance of stock was considered excessive (£61k) and the stock control record had not been updated for almost 2 months to reflect any sales which had been made. It was also noted that prior to September 2017 no records are available as a back-up of the information contained on the pen drive was not made and all information was lost due to a virus at the School. This report recommends that measures are put in place to address each of these issues and prevent future occurrences.

School Income

The control environment for budget income is effective. Income due to the School is receipted, held securely, banked intact and correctly recorded in SIMS. Staff responsible for identifying, receiving and recording income due to the School have been clearly defined and all are aware of their duties.

There is one complete central record of all income received at the School and income is held in a secure place with limited access and not mixed with any other monies. Adequate subsidiary records are also maintained when income is collected outside the main office. This report recommends that a date of collection is also recorded for completeness and a standard pro forma introduced for consistency between staff.

A comprehensive Hire of Premises/Charging Policy has been introduced and the School hire out their facilities to a variety of clubs/individuals. While the Headteacher is aware of all lettings, these are currently authorised by the Bursar. For 1 of the 5 lettings examined a signed agreement was not present at the School.

School Private Fund

Detailed records that provide an adequate audit trail for all income and expenditure transactions are in place for the School Private Fund. 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.

The School has standardised the process and records to be used for administering trips and these were found to be in use and accurately completed for each of the trips examined, with a clear audit trail for the handover of cash to the Fund.

However, this review has identified instances of expenditure that are not considered in line with the School Private Fund Regulations and would have been more appropriately financed from the School Budget Account.

Purchase Card

The control environment in respect of the Purchase Card is effective with no issues to report. There is 1 Purchase Card at the School and a sufficient audit trail in respect of evidence being available that supports expenditure via the Card. A transaction log is maintained and updated immediately after a purchase has been made, with entries reconciled to the Bank Statements upon receipt.

The implementation of the recommendations made within this report will enable the Headteacher to further enhance the standard of administration at the School.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
<p>5.1.1</p> <p>Low</p>	<p>Although the document 'Planning and Approval Procedures for Educational Visits' states that Schools can determine their own planning and approval requirements for trips, it also states that Schools are strongly advised to use the EVOLVE system.</p> <p>Whilst adventurous trips are recorded on EVOLVE, routine off-site visits such as sporting fixtures are not currently entered onto EVOLVE.</p> <p>Discussion with 5 of the PE staff revealed that a fixtures sheet is completed and passed to the EVC Co-ordinator prior to each off site sporting fixture.</p> <p>Examination of the 19 fixtures sheets available revealed that 11 of these contained errors, 8 had no team sheets attached and information was often passed to the Office at very short notice.</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>The Headteacher should ensure that all staff are made aware of their responsibilities to avoid any confusion over future responsibilities.</p>	<p>Implemented.</p>
<p>5.1.2</p> <p>High</p>	<p>Management at the School confirmed that where long term cover is arranged through an Agency, the School requests full DBS references and details of qualifications. Copies were retained at the School to support these arrangements (the School have set up individual files for all long term agency staff).</p> <p>However, where short term cover is arranged DBS details are not requested by the School.</p>	<p>The Headteacher should ensure that the School maintains an up to date list / record of all staff that work at the School. This should detail their names, DBS reference number and the date of check.</p>	<p>Implemented.</p>
<p>5.1.3</p> <p>High</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>As a minimum, Level 1 Safeguarding training should be arranged for all staff who were not present at the last training event as soon as</p>	<p>31 January 2018</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>'Governing Bodies should ensure that the Headteacher and all other permanent and 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>Details of all Child Protection training delivered to staff is maintained on a record held at the School including the dates undertaken and copies of certificates held. However, examination of the records identified that 9 casual examination invigilators and 1 other casual member of staff were not present during the most recent training session.</p> <p>All other School staff have been trained to Level 2.</p> <p>Additionally, it was noted that for 1 of the designated Governors with responsibility for Child Protection no evidence of any formal training was available at the School.</p>	<p>possible.</p> <p>A copy of the training certificate in respect of the designated Governor with responsibility for Child Protection should be retained at the School.</p>	
5.1.4 Medium	<p>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, read and understood the Child Safeguarding Policy'</i></p> <p>Discussion at the School revealed that the School Child Protection Policy is provided to all staff in the 'staff mini handbook' which is provided to every member of staff on the first day of the academic year. No formal record however is made to demonstrate that each member of staff has received and read the Policy.</p>	<p>The Headteacher should ensure that all staff sign to demonstrate that they have received, read and understood the latest Child Safeguarding 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>	Implemented.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.2.1 High	<p>The School sell a large variety of items in its School Uniform Shop which is opened for 3 weeks of the Summer Holidays and run by 2 members of the office staff. Stock is also held throughout the year for sale as and when required to parents/pupils.</p> <p>A till has been programmed to account for the various items sold and this is used to update the Stock Control Record. A review of the School Uniform Records revealed that:</p> <ul style="list-style-type: none"> • At the time of the audit the latest stock check carried out on 3rd September 2017 showed the balance of stock to be in excess of £61,000. • This record had not been updated for almost 2 months during which time sales totalling £1,373.95 had been made. • No stock records are available prior to 3rd September 2017 as a pen drive used to record all stock information was corrupted when a virus hit the School and a back up of the information was not undertaken. 	<p>The School should carefully consider its next school uniform order to ensure that excessive stocks are not held and items currently in stock are utilised.</p> <p>The Stock Control Record should be updated regularly - at least weekly using the till roll receipts to identify the items sold and calculate the current stock balances.</p> <p>Information held should be backed-up regularly and a copy held off site to ensure that in the event of information being lost, it can be easily retrieved.</p>	Implemented
5.2.2 Medium	<p>Following a request from the Education Systems Support Team 3 years ago the School Inventory was transferred onto the Equipment Register Module on SIMS, where it is currently maintained. A full review of the Inventory is carried out annually at the start of the autumn term whereby each Department complete and return a Stock Control Form which is compared to SIMS and any updates made. This review was last undertaken in September 2017 and a review of this process revealed that :</p> <ul style="list-style-type: none"> • Small, consumable items which are both low in value and portable are currently recorded. • Additions and disposals of equipment throughout the year are currently not recorded, as the member of staff responsible for 	<p>The Headteacher in consultation with the Governing Body should set a limit, above which items of equipment are to be recorded on the inventory. This will make the process more meaningful and easier to undertake. Smaller items and consumables may be excluded from being recorded on the Inventory, if deemed appropriate by the Headteacher and Governing Body.</p> <p>The School may also wish to consider the introduction of a standard pro forma for use throughout the year by Department staff</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	updating SIMS receives no notifications of items moved or broken etc., other than the annual update.	where items are purchased, moved or written off. These can be provided to the person responsible for the Equipment Register, who is then able to update SIMS regularly throughout the year thereby keeping the central record up to date and the annual review less time consuming.	
5.3.1 Medium	<p>The School has a comprehensive Lettings Policy in place and currently hires out the premises to a number of organisations. Examination of a sample of 5 current hires identified that:</p> <ul style="list-style-type: none"> • A copy of the Hire Agreement could not be located in respect of 1 booking. • While all 4 Hire Agreements present had been signed by both the Hirer and the School this is being done by the Bursar not the Headteacher. 	In accordance with the system intended by the School, a copy of each Hire Agreement should be retained. This should be authorised by the Headteacher to demonstrate that the letting has been fully authorised.	Implemented
5.3.2 Low	<p>Examination of the Record of Daily Income revealed that income is received by teaching staff in respect of a variety of classroom sales including Calculators, Science Revision Guides, Geography Revisions Guides, Art Sketchbooks and Home Economics Ingredients.</p> <p>2 classroom records were selected for examination (Art & Geography) and it was confirmed that both records were readily available for examination and found to contain information in respect of individual pupil names and the amounts paid (albeit in different formats).</p> <p>However, it was noted that the date income is received from the pupils is not currently recorded.</p>	The date of receipt should be added to the teachers' individual class records for completeness.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.4.1 High	<p>Examination of the School Private Fund expenditure identified the following instances of expenditure that are not in line with the School Private Fund Regulations:</p> <ul style="list-style-type: none"> • 705744 - £990.00 - Achievement Vouchers for Pupils. • 705737 - £50.00 Head Girl - Acknowledgement & Thank You and 705738 £50.00 Head Boy - Acknowledgement & Thank You. • 705744 - £316.85 - Reimbursement to School Budget for plants bought from B&Q and Woodland Walk using the Purchase Card, for work undertaken by Horticulture pupils as part of their qualification. • 705749 - £61.65 - A staff collection was made to cover the cost of lunch and refreshments on an Inset Day. There was an overall shortfall on the amount collected and this was made good by the School Private Fund. 	<p>The items listed fall outside the scope of the School Private Fund and this type of expenditure would be more appropriately financed from the School Budget Account in future (or in respect of the staff refreshments, a separate collection).</p> <p>The School Budget Account should reimburse these sums to the School Private Fund immediately.</p>	Implemented

AUDIT NAME: BRYNNAU PRIMARY

DATE FINAL REPORT WAS ISSUED: 21/12/2017

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.

Brynnau Primary School was last subject to an Internal Audit Review in September 2013 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, using transactions processed during financial year 2016/17 and 2017/18.

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 2016 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 1998.

AUDIT OPINION

Overall, the control environment in respect of the School's financial and governance arrangements is considered to be effective with opportunity for improvement.

Governance

The structure and constitution of the Governing Body and Sub Committees has been established and is reviewed and agreed annually.

All minutes examined were appropriately signed by the Chair of Governors.

2 Governors had not completed a declaration of business interests, which is a statutory requirement. There is also 1 Community Governor vacancy at present.

There was no evidence to confirm that the Governing Body had agreed any financial limits of delegated authority for relevant staff at the School.

Whilst all statutory policies and documents were reviewed in 2016, not all were detailed in the minutes as ratified by the Full Governing Body.

Safeguarding

The School has a Safeguarding Policy which is reviewed annually. 3 members of staff have been named as responsible for Safeguarding, along with the Chair of Governors. Management confirmed that all 3 responsible members of staff have been trained to Level 3; however only 2 certificates were present at the School.

'Level 1' training was last provided to all staff on 18th April 2016 and an attendance list was retained. Comparison of the attendance list to the list of staff from Vision identified 3 members of staff who were not in attendance.

The School did not have a record of staff DBS information nor a record of supply teachers DBS details (Note: all School based staff had a valid DBS check prior to commencing in post).

Evolve is used to record all educational visits. One 'adventurous' trip is run each year for year 6 pupils and this trip had been appropriately recorded and approved on Evolve.

School Private Fund

An appropriate Management Committee has been established and Auditors appointed. The Annual Certificate and Summary of Accounts were not submitted to Education Finance by the required date (31st December 2016).

Income is banked monthly and the ledger is updated with the income received at the same time. Banking and recording large amounts of income at one time (retrospectively) makes the reconciliation process more difficult and there are also security issues in respect of the retention of this income at the School and its transportation to the bank.

Payments were noted being made from the Fund that are considered to be outside the scope of the School Private Fund Regulations. These include travel expenses, repairs to a pupil's instrument and curriculum related activities.

Refunds in respect of trips are currently made to pupils from the cash collected, which is not permitted by the School Private Fund Regulations (i.e. all income received should be banked in tact).

Receipts were located for each of the purchases examined as a sample.

Purchase Card

There is a transaction log in place to record all purchases made, which is regularly reconciled to the Barclays system.

The card is used by other members of staff at the School and there is a signing in / out sheet to document these instances.

Cash is withdrawn in order to hold a 'petty cash account' and appropriate records are in place for this along with receipts for the expenditure incurred. The cash in hand was balanced.

School Meals

The school meal income records are not regularly reviewed by an independent person (i.e. the Headteacher).

The income collected and banked for the sample period was appropriately reconciled; however 1 delay in banking was identified.

There are daily checks between the School Clerk and the Cook to ensure that the correct number of meals were served. The School Clerk also has appropriate processes in place for pursuing arrears.

Authorisations were present for each of the Free School Meals Pupils sampled.

Purchasing

Whilst most purchases are made using the Purchase Card, the School still places orders with some companies who will not accept this form of payment. Where these instances occur, the School Clerk will place an order either directly with the company on-line or via telephone. No official order is raised; therefore the school is unable to demonstrate that the Headteacher gave prior approval before placing an order. However all invoices have been signed by the Headteacher.

The School currently has 5 leases; however no prior approval was obtained from Education Finance before entering into these leases.

Data Security & Inventory

The School is registered with the Information Commissioner's Office and the certificate has been retained. Back ups are undertaken daily by the Council.

The School does not have an inventory and neither is the IT equipment marked as property of the School.

Equipment such as cameras are taken off-site occasionally and there is a record to document when the item of equipment was removed, by whom, and when it was returned.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	No evidence was noted to confirm that the Governing Body has agreed a scheme of delegation for any members of staff at the School.	The financial limits for delegated authority should be discussed and agreed at the next Governing Body meeting (Finance or Full Governing Body). Any decision made should be appropriately minuted together with the delegated limits.	Implemented
5.1.2 Low	The membership of Governing Bodies is set out in Chapter 3 of the Government of Maintained Schools (Wales) Regulations 2005. Examination of the Governing Body structure revealed that there is currently one vacancy for a Community Governor.	The School should seek to fill the vacancy as soon as possible.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.3 High	<p>Section 2.9 of the Scheme for Financing Schools states that:</p> <p><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></p> <p>A declaration of business interests had not been completed for 2 Governors.</p>	A declaration for the 2 Governors identified should be completed immediately.	Implemented
5.1.4 Medium	<p>Whilst all statutory policies and documents were reviewed in January 2016, not all were detailed in the Governing Body minutes as being ratified.</p>	When policies and documents are reviewed and ratified by the Governing Body, it should be ensured that they are clearly detailed in the minutes for transparency.	Implemented
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....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>Level 1 training was last provided to staff on 18th April 2016.</p> <p>The attendance list held in respect of the training on 18th April 2016 was compared to the list obtained from Vision prior to the review. 3 members of staff were not in attendance; 2 of which commenced in the School after that date and the other was a peripatetic music teacher.</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names. 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>All staff that were not in attendance at the 18th April 2016 training session should receive training.</p> <p>Certificates should be retained at the School for each designated member of staff trained to Level 3.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Whilst new staff are given basic safeguarding training as part of their induction, this is not documented. Neither is there a central training record.</p> <p>Certificates were present for 2 of the 3 designated members of staff trained to Level 3.</p> <p>At the time of the fieldwork for the audit review, the Headteacher indicated that Level 1 training had been booked for 18th September 2017.</p>	Any Tutors who regularly attend the School should also receive training.	
5.2.2 Medium	<p>There was no record at the School of staff and volunteers' DBS details and neither was there a record of supply teachers' DBS details. It is however acknowledged that no staff commenced employment at the School without a valid DBS check.</p>	A record of all DBS checks undertaken for staff, volunteers and supply staff should be maintained and held at the School. This should detail their names, reference number and date of check.	Implemented
5.3.1 Low	<p>Point 2.3 of the School Private Fund Regulations states: <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 Summary of Accounts were not submitted to Education Finance until the 8th February 2017.</p>	The Annual Certificate and Summary of Accounts should be completed and returned to Education Finance by the required date each year, in accordance with the Regulations.	Implemented
5.3.2 High	<p>Appendix 2 of the School Private Fund Regulations provides the Treasurer with notes of guidance on Record keeping, including a Ledger.</p> <p>Point 1.1 (b) states:</p>	In accordance with the School Private Fund Regulations, the Ledger should be updated regularly.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>'The ledger is updated as income and expenditure occurs, and not on a monthly / annual basis or from bank statements.'</i></p> <p>Testing identified that income is recorded on the Ledger when it is ready to be banked. The Ledger has only been updated 10 times since September 2016 as follows:</p> <ul style="list-style-type: none"> - 9th September 2016 - £2,000.00; - 7th October 2016 - £2,798.58; - 20th October 2016 - £698.50; - 25th November 2016 - £3,098.40; - 7th December 2016 - £2,194.31; - 16th December 2016 - £1,440.00; - 27th January 2017 - £787.95; - 21st February 2017 - £1,875.13; - 5th May 2017 - £3,272.73; and - 30th May 2017 - £1,353.50. <p>Evidently, there are also delays in banking the income received.</p>	<p>Income should also be banked at least weekly.</p>	
5.3.3 High	<p>Examination of the School Private Fund expenditure identified the following instances of expenditure that are not in line with the School Private Fund Regulations:</p> <p>Travel expenses for providing Christian assemblies for the School (excluding nursery):</p> <ul style="list-style-type: none"> • 6th June 2017 - £35 - cheque number 2439; • 20th May 2017 - £15.00 - cheque number 2437; and • 23rd September 2016 - £20.00 - cheque number 2409. <p>14th February 2017 - £45.00 - cheque number 2425 -</p>	<p>The items listed fall outside the scope of the Fund and this type of expenditure would be more appropriately financed from the School Budget Account in future.</p> <p>The School Budget Account should reimburse these sums to the School Private Fund immediately.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Repairs to a pupil's musical instrument. The School has requested payment from the Parent but have not yet received it.</p> <p>21st October 2016 - £840.00 - cheque number 2416 - Play learn play (Gymnastics Tutor).</p>		
5.3.4 Medium	<p>Point 4.3 of the School Private Fund Regulations states: <i>'All monies collected must be banked intact, in order that income can be traced and reconciled to bankings. No deductions should be made from such money'</i></p> <p>When examining the trip records, it was evident that refunds are provided to pupils from the cash collected.</p>	<p>All income received should be banked intact.</p> <p>Any refunds to pupils should be paid by cheque or a cash float may be operated. If a cash float is introduced, additional records must be maintained to operate this (please refer to Appendix 7 of the School Private Fund Regulations).</p>	Implemented
5.4.1 Low	<p>There was no appropriate VAT receipt to support the following purchases where VAT was reclaimed: 27th September 2016 - £15.45 Gross, £2.85 VAT. 15th November 2016 - £15.40 Gross, £2.57 VAT.</p> <p>(Items purchased for HUB Foundation Phase training for which the School received funding).</p>	<p>Every effort should be made to obtain an appropriate VAT receipt to accompany all purchases where VAT is to be reclaimed. An appropriate VAT receipt should include:</p> <ul style="list-style-type: none"> • details of the sale including the tax date; • the supplier's VAT registration number; • the amount paid for the goods or services; and • the amount of VAT that the supplier has charged to you. <p>If a VAT receipt cannot be obtained and it is unknown as to whether the individual / company is VAT registered, it should be</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		<p>assumed that they are not, and therefore the gross amount should be treated as outside the scope.</p> <p>Please note: it is the status of the supplier (VAT registered or not) that must be considered first before considering whether the items are VAT applicable.</p>	
5.5.1 Medium	The school meals income records are not being reviewed regularly by a person who is independent of the process.	<p>The Headteacher (or a person independent of the process of recording and banking income) should regularly review the records to certify that this income has been banked.</p> <p>The records should be signed and dated as evidence of this process.</p>	Implemented
5.5.2 Low	<p>Examination of school meal income received and banked for a sample period identified one instance where there was a delay in banking:</p> <ul style="list-style-type: none"> • £392.70 was banked on 16th February 2017 before the end of half term. The next banking was on 8th March 2017 for £766.90. 	It should be ensured that all income is banked frequently i.e. at least weekly.	Implemented
5.6.1 Medium	The School are not raising official orders when requesting goods or services from companies. Instead, they either place an order directly with the company on-line or via telephone, and only the subsequent invoice is retained.	The School should ensure that all purchases made for goods and services are either raised and authorised using the F111 order book or the purchase is made via the Purchase Card.	Implemented
5.6.2	The School has 5 leases at present for IT equipment, air fresheners, hand dryers, photocopier and telephone. However prior approval was not sought from Education Finance.	Prior to renewing these leases and / or taking out new leases, authorisation should be obtained from Education Finance before	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
Medium		entering into such agreements.	
5.7.1 Medium	Currently, the School does not have an inventory.	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.	31 March 2018
5.7.2 Low	Whilst IT equipment is asset registered it has not been marked as property of the School.	Equipment should be asset registered and adequately marked for security purposes.	Implemented

AUDIT NAME: ELECTIVE HOME EDUCATION

DATE FINAL REPORT WAS ISSUED: 18/12/17

INTRODUCTION

Every child has the right to access an education and the options available to parents are for their children to attend a school, to receive home / group tuition provided by the Council or to register for elective home education.

Elective home education is the term used by the Welsh Government to describe parents' decisions to provide education for their children at home instead of sending them to school. This is different to home tuition provided by the Council or education other than at a school.

Children whose parents elect to educate them at home are not registered at, for example, mainstream schools, special schools, pupil referral units or colleges. Some parents may choose to engage private tutors or other adults to assist them in providing a suitable education, but there is no requirement for them to do so and the learning may take place in a variety of locations, not just in the family home.

Following the presentation of the previous audit report of this area to Audit Committee, a follow-up review was requested.

SCOPE & OBJECTIVES

This follow up review of elective home education will provide an opinion as to whether management has successfully implemented the previous recommendations.

AUDIT OPINION

The overall control environment in respect of the Elective Home Education Service has improved and is now considered to be effective with opportunity for improvement.

It is acknowledged that significant improvements have been made to the administration within the service and that staff have demonstrated a commitment to addressing the findings contained within the previous Internal Audit Report, for example, it was noted that:-

- There is one EHE Policy that was agreed following consultation.
- The Policy contains a list of useful contacts which has been distributed to all schools and all new parents.
- For a sample of children reviewed, the Policy was being complied with, for example, correspondence is being sent in line with timescales, meetings are being held with parents and reports are being written and provided to parents.
- The Service is working more closely with other Council departments and sections to ensure that any safeguarding issues are addressed.
- All correspondence is saved on each child's personal file.

The implementation of a 'Panel' that could review possible attendance orders, suitability of education being provided and to discuss 'non-engaging' families would further enhance the governance arrangements in place.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Medium	<p>Recommendation 5.1.2 of the previous audit report stated that:- <i>'Management should consider developing a formal group or panel to periodically meet and discuss the current situation of each EHE pupil.</i></p> <p><i>If the group or Panel decide that the situation of a pupil(s) is not suitable, they should consider serving an attendance order.'</i></p> <p>During the fieldwork for this audit review it was established that no Panel or formal group has been developed which discusses on a periodic basis whether each EHE child is receiving an efficient / suitable full-time education.</p>	<p>A specific 'formal group' or 'Panel' should be developed to periodically meet and discuss EHE pupils, in particular those children that may require additional support.</p> <p>Where officers in these meetings believe a child may not be receiving an efficient / suitable full time education they should consider recommending appropriate action.</p>	16 th February 2018

AUDIT NAME: FERNDALE COMMUNITY SCHOOL (FOLLOW-UP)

DATE FINAL REPORT WAS ISSUED: 31/01/2018

INTRODUCTION

Ferndale Community School was last subject to a routine Internal Audit during December 2016. At this time the overall control environment in respect of the School's financial and governance arrangements was considered to be 'insufficient and requires improvement'.

The current Headteacher commenced in her role during February 2017 which was after completion of the initial audit fieldwork.

Following receipt of the final report, both the School and the Council's Audit Committee, requested a follow up review to be undertaken.

This audit report provides the outcome of the follow up review that has now been completed.

SCOPE & OBJECTIVES

Prior to the last review in 2016, all fundamental financial and governance systems in operation at the School 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 risk assessment, audit work was carried out on the following areas of administration: Governance; Safeguarding; School Income; School Private Fund; and Purchasing.

AUDIT OPINION

This follow up review now concludes that the overall control environment in relation to the School's financial and governance arrangements is considered to be effective.

Friends of Ferndale Charity

The School Budget Account is no longer used to facilitate the financial management of the Charity and all financial processes are now separately administered. School staff no longer undertake charity activities during the school day and the financial administration of the Charity is now carried out by a separate team of staff (who are employed by the Charity).

The payment of honorariums has ceased and while the Business Facilities Manager is still in receipt of an allowance from the Charity in respect of her overall strategic management role, this work is separate to School employment and carried out in her own time. The Headteacher and Governing Body have put in place a flexible working arrangement to facilitate this, and timesheets introduced to record daily/weekly hours. Any meetings or work undertaken in respect of the Charity are recorded. All timesheets examined since June 2017 were found to be signed by both the Headteacher and Business Facilities Manager.

A new SLA is in place between the School and the Charity relating to the hire of facilities at the School. This became effective from 1st April 2017 and now includes VAT on the hire charge.

3 of the 6 current Board Members on the Charity are also School Governors and declarations of business interests were present in respect of each Governor noting their role as a Fern Partnership Director.

The Purchase Card is securely retained and administered. Card details are no longer stored on websites nor used by Youth Centre/Fern Partnership staff. A review of Purchase Card expenditure for a 3 month sample period revealed that all purchases were appropriate to the School.

Safeguarding

Registers are now in place to record any Safeguarding Training received by staff. All staff are required to sign to confirm attendance with all records appropriate and up to date. The School use the EVOLVE system to record details of residential / adventurous trips. Staff should be reminded of the need to ensure that all trips/activities are entered within the correct timescales as this had not been done for 1 of the 5 trips examined during the review.

School Private Fund

A new Management Committee is in place and two independent Auditors have been appointed. Income is now counted and recorded by the Fund Treasurer and Secretary both of whom sign the appropriate records to confirm the amounts received.

The School Private Fund is no longer used to hold money in respect of the Friends of Ferndale Charity or the Youth Club. Evidence was available at the School to demonstrate the closure of sub accounts, with the remaining balances repaid and no further transactions processed using this facility.

Purchasing

The School's Purchasing Policy has now been updated with delegated limits of spend. This was agreed at the Governing Body meeting held on 7th December 2016 and a copy is available at the School. The arrangement in respect of the reimbursement of bus passes has now been resolved following discussion with the Temporary Director of Education & Lifelong Learning and a copy of the Bank Mandate is available at the School.

All Budget Holders have been reminded that orders should be raised in advance or made using the Purchase Card. The number of ad-hoc payments to individuals in respect of reimbursements has fallen and only 2 staff refunds were identified during the period examined. From a sample of 5 orders examined, 3 were raised on SIMS after receipt of the goods and invoice.

Pending orders are now reviewed on a regular basis and evidence of this was available at the School. Income is no longer collected from pupils in respect of Home Economics and budgetary provision has been made to facilitate the purchase of cooking materials. A review of a 3 month sample of expenditure confirmed that food purchases are now only made through approved suppliers or national supermarket chains.

School Income

The School's Financial Procedures were updated in the summer term 2017 to include responsibilities in respect of the collection and recording of swimming pool/gym membership income. This document has also been approved by the Governing Body and subsequently minuted.

Pool staff now deposit income with the Finance Office weekly where it is checked upon receipt by two members of staff and signed to confirm the amount collected and banked.

Manual records are currently maintained in respect of gym membership and while the current system could be improved and updated, this will be considered in the future. There were no issues identified in respect of updating SIMS with income received and banked. Delays were however noted in the bank reconciliation process; bank statements should be reconciled to SIMS on a weekly basis to identify any errors at the earliest opportunity.

Implementation of the 3 recommendations contained within this report will further enhance the current levels of control.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
<p>5.1.1 Low</p>	<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'. All other visits are for schools to determine.</p> <p>Examination of a sample of five visits recorded on EVOLVE identified the following:</p> <p>Oxford University Brilliant Club - 15th/16th May 2017. This was not created on EVOLVE until the day of the trip (15th May) and was not authorised by the Headteacher and Educational Visits Advisor until after the trip took place (18th/19th May respectively).</p> <p>All four remaining trips examined were found to be entered onto EVOLVE and authorised in accordance with the recommended procedures.</p>	<p>All trips/activities should be entered onto EVOLVE and authorised within the correct time scales.</p>	<p>Implemented</p>
<p>5.2.1 Low</p>	<p>From a sample of 5 orders examined, 3 were raised on SIMS after receipt of the goods and invoice:</p> <ul style="list-style-type: none"> • 170390. • 170424. • 170454. 	<p>Where a prior request is known for goods / services, an order should be raised in the first instance. If an order was placed via telephone, a SIMS order should be raised as soon as possible thereafter. The subsequent copy order should be signed by an appropriate (authorised) member of staff.</p> <p>To avoid additional work, invoices for non orders (i.e. where a prior request has not been made) should be paid via the School purchase card where possible. If the School is unable to use the purchase card, these can be processed using the non order invoice facility and no requirement for a SIMS order</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		to be raised.	
5.3.1 Medium	Examination of the Bank Statement and SIMS reconciliations identified several occasions where there had been delays in reconciliation.	Bank statements should be reconciled to SIMS on a weekly basis. The statements should be signed and dated as evidence of this reconciliation.	Implemented

AUDIT NAME: GLENBOI PRIMARY (FOLLOW UP)

DATE FINAL REPORT WAS ISSUED: 25/01/2018

INTRODUCTION

Glenboi Primary School was last subject to an Internal Audit Review in July 2017. Whilst the overall opinion in respect of the School's financial and governance arrangements were considered to be 'effective with opportunity for improvement', the School Private Fund was considered to be in need of improvement.

Following receipt of the final report, both the Chair of Governors at the School and the Council's Audit Committee requested a follow-up review to be undertaken.

This audit report provides the outcome of the follow-up review that has now been completed.

OBJECTIVES

The objective of the review was:

- To review the actions taken by management to address the recommendations contained within the previous Internal Audit report.

AUDIT OPINION

This follow up review now concludes that the overall control environment in respect of the School's financial and governance arrangements is considered to be effective.

Governance

The Governing Body has now confirmed a scheme of delegation and formally recorded the financial limits for the Headteacher's delegated authority. This was actioned at the Full Governing Body meeting held on 23rd October 2017 and a permanent record is available at the School.

Attendance sheets have been introduced to record attendance at Governing Body meetings and for all 3 meetings held since the issue of the previous audit report there were appropriately signed attendance sheets. There are no findings contained within this report in respect of the School's governance arrangements.

School Private Fund

A manual ledger is now used to record income and expenditure transactions, the format of which is in accordance with the School Private Fund Regulations. This was found to be up to date at the time of the audit with fortnightly deposits made using the secure cash collection service.

Individual class trip records have been standardised (with a similar format used for tuck income) and a Statement of Account is completed at the end of each trip. However, it was noted that while a Record of Daily Income has been introduced this is currently not used to record all income received; income in respect of school trips or tuck is initially recorded on the class records then updated directly to the School Private Fund ledger. This report recommends that the Record of Daily Income is used to record all income received.

The School have now appointed a new Auditor to comply with the School Private Fund Regulations and a copy of the Annual Certificate for the academic year ended August 2017 was present at the School.

The School opened a new bank account in September 2017. As this account is now fully operational, arrangements can be made for the previous account to be closed as all outstanding transactions would have had sufficient time to be processed.

Records relating to the Fund are now being retained to fulfil the requirements of the School Private Fund Regulations.

Purchase Card

The Transaction Log is maintained electronically and is now updated as and when transactions occur. This was found to be fully complete and up to date at the time of the audit visit. The log is signed and dated when reconciled to indicate when and by whom this was undertaken. There are no findings contained within this report in respect of the Purchase Card.

Purchasing

The F111 order book that was previously in use at the School has now been located and is used on the occasions that orders need to be raised (with each order being signed and dated by the Headteacher). However, it was noted that the copy orders are not endorsed with delivery and payment details. This report recommends that both delivery and invoice details are recorded on each copy order for completeness and to ensure that a permanent record of the delivery and invoice details are available.

School Meals/Collections & Deposits (C&D)

All dinner money arrears are now referred to Education Finance in accordance with the Council's Dinner Money Arrears Protocol and evidence of this process is retained at the School. Balance reports are sent to Finance staff at the end of each half term and referrals received on the appropriate forms which allows them to proceed with recovery where necessary. Evidence of early intervention was also present at the School in the form of standard chase up/reminder letters to parents. All banking returns are now signed and dated by the Headteacher as evidence of an independent review. There are no findings contained within this report in respect of School Meals/C&D.

Assets

The School have now updated their inventory on SIMS and a pen has been ordered (but not yet received) to allow equipment to be marked as the property of the School. There are no findings contained within this report in respect of the School's assets.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Low	<p><u>School Private Fund</u></p> <p>A manual ledger has been introduced by the School Clerk to record all income and expenditure transactions in respect of the School Private Fund, using the format recommended in the School Private Fund Regulations.</p>	<p>The Record of Daily Income form should be used to record all income received. This should be ruled off and totalled when a banking is made and the details updated to the School Private Fund ledger in a summary</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Individual class records have also been introduced in respect of trips and tuck income showing the amounts received from individual pupils.</p> <p>Whilst a Record of Daily Income form has been introduced by the School Clerk, this is currently not used to record all income received. Income received in respect of trips or tuck is initially recorded on the class records and then updated directly to the School Private Fund ledger. The Record of Daily Income form is currently only used to detail income that has been received which is not pupil related e.g. Christmas cards, donations.</p>	<p>format. The individual class records maintained in respect of trips and tuck income provide supporting evidence of the amounts detailed on the Record of Daily Income and summarised in the ledger.</p>	
<p>5.1.2</p> <p>Medium</p>	<p><u>Purchasing</u></p> <p>An F111 order book that was previously in use at the School has now been located and is used on the occasions that an official order needs to be raised (with the orders signed and dated by the Headteacher).</p> <p>Examination of the order book revealed that copy orders are currently not endorsed with delivery and invoice details.</p>	<p>All copy orders should be checked to ensure that the items delivered are in line with those originally ordered and the copy order endorsed with the delivery details.</p> <p>When the invoice is received this should be checked against the copy order (where delivery details are recorded).</p>	<p>Implemented</p>

AUDIT NAME: HAWTHORN HIGH SCHOOL

DATE FINAL REPORT WAS ISSUED: 22/12/2017

INTRODUCTION

Hawthorn High School is a mixed 11-18 school. There are 737 pupils on roll, of which 114 are in the 6th form. The percentage of pupils claiming free school meals is 21%.

Hawthorn High School was last subject to a routine audit visit in December 2014.

SCOPE & OBJECTIVES

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

On the basis of this risk assessment, audit work was carried out on the following areas of administration: Governance; Safeguarding; Purchase Card; School Income; Budgetary Control; Banking; and Assets.

AUDIT OPINION

Overall, the control environment at Hawthorn High School is considered to be insufficient and requires improvement.

Governance

Whilst the Committee Structures were set out by Terms of Reference for academic year 2016/17, they had not been formally documented in the minutes to demonstrate that they were agreed by the Governing Body. There are also 5 Governor vacancies at present.

The School employs an external Clerk to the Governing Body who retains all original signed Governing Body minutes and attendance lists off-site. Upon review, inconsistencies were noted in the formatting of the minutes i.e. the use of headed paper, numbering the pages and the items minuted. Also, each loose-leaf page had not been initialled by the Chair.

Not all declarations of business interests were retained at the School and those that were present were dated from 15th - 17th May 2017 (i.e. the date of the audit).

Whilst all statutory policies and documents were in place, not all were reviewed as frequently as required or documented in the minutes as approved by the Governing Body.

Safeguarding

The School has a Child Protection Policy which is reviewed annually by the Governing Body.

The Acting Assistant Head has overall responsibility for safeguarding in addition to the Heads of Department for each year group. 4 members of staff have received Level 3 training and their certificates have been retained at the School.

Level 1 safeguarding training was provided to all staff on 2nd September 2016 and while an attendance list for the training was available, there were 'ticks' next to individual names, not signatures. In addition, there were 4 casual / temporary members of staff not ticked as present.

All members of staff received a DBS clearance prior to commencing in post and there was an appropriate DBS record at the School.

The School pays for a brass tutor and a maths tutor; however the required HMRC employment checks had not been completed for either.

Purchase Card

There is one Purchase Card at the School and an up to date transaction log is maintained to record all transactions.

61 transactions were examined as a sample. Due to the way in which receipts and invoices were filed, locating the relevant supporting documentation was difficult and time consuming. No receipts were located for 3 transactions, there were no appropriate VAT receipts to support 6 transactions and a further 4 purchases examined are considered inappropriate / not for School purposes.

Bank statements are received monthly and are reconciled to the transaction log. However, delays were noted in undertaking journals on SIMS i.e. up to 3 weeks after the date of reconciliation.

School Income

The School has a Financial Procedures document; however there are elements that require updating.

There are records in place to document when invoiced and non-invoiced income is received at the School. The income received by the Pool Manager is passed to the Finance Officer weekly for banking. However, only the handover of cash is signed for, not cheques.

No issues were noted in terms of access to the safe located at Location A; however there are at least 3 members of staff who are able to access the safe at Location B.

All income examined for the sample period was appropriately recorded and corresponded to SIMS and the bank statements; however income is not always banked promptly and there is no regular and independent review of the income records.

All bookings for the School's facilities (pool, astroturf etc) are managed by the Pool Manager, using the EZ System, which was purchased by the School.

The system automatically produces invoices which are issued to customers. The invoice details are then replicated on SIMS to ensure that SIMS is up to date. However, issues were identified with this process, for example, the EZ invoices do not contain terms and conditions of payment, do not include the Council's VAT number, there is a duplication of work and VAT on the SIMS invoices is not always coded correctly.

Banking

Bank statements are received weekly; however they do not demonstrate any evidence of being reconciled i.e. transactions are not ticked and the bank statements are not signed and dated. In addition, the bank reconciliation process is solely undertaken by the Finance Officer who also records and banks income and raises invoices; therefore, there is no division of duties.

During financial year 2016/17, the School's bank account was overdrawn on many occasions which is not permitted.

Budget

The Finance Officer and Estates Manager are responsible for reviewing the School's budget and the limits for delegated authority have been established by the Governing Body. The budgetary position is presented to the Finance Committee termly and subsequently ratified at the next full Governing Body meeting.

The Finance Officer and Estates Manager undertake virements where required; however the responsibility for this function has not been formally delegated by the Governing Body. In addition, virements are not documented at present.

Heads of Department are responsible for managing their own budgets. However, Budget Holders are not provided with regular budget reports from SIMS to enable them to effectively monitor their budgets.

Assets

Whilst the School has a Building Development Plan which covers 2016 - 2019, no estimated costs have been attributed to any of the priorities listed in the document.

The School does not have an inventory. Stock records are maintained for the ties and goggles that are sold.

Equipment does occasionally leave the School premises; however there is no formal record of when equipment is taken off-site or its subsequent return.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Medium	<p>Section 54(2) of 'The Government of Maintained Schools (Wales) Regulations 2005' states that: <i>'The Governing Body must determine the constitution, membership and terms of reference of any committee it decides to establish and review them annually.'</i></p> <p>Whilst the Governing Body's composition and committee structure has been established, the Terms of Reference had not been formally minuted as approved for this current academic year.</p>	<p>The committee structure, composition and terms of reference should be agreed on an annual basis and minuted during the first Governing Body meeting of the academic year.</p>	<p>Implemented</p>
5.1.2 Medium	<p>Section 47 of 'The Government of Maintained Schools (Wales) Regulations 2005 states that: <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>All original signed minutes and attendance sheets are held off-site by the external Clerk to the Governing Body, appointed by the School.</p>	<p>In line with statutory requirements, each loose leaf page should be consecutively numbered and initialled by the Chair of Governors.</p> <p>It should also be ensured that the format and layout of the minutes are consistent.</p> <p>All original, signed documentation should be retained at the School.</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>The Clerk provided the School with Governing Body minutes for the last 3 years for review by Internal Audit, and the following issues were noted:</p> <ul style="list-style-type: none"> • The minutes are loose-leaf pages, but only the back page of the minutes are signed by the Chair of Governors; • The minutes were inconsistently printed on headed paper; • Items discussed and agreed were inconsistently numbered; • Loose-leaf pages are not numbered; and • Sub-committee minutes were not signed by the Chair. 		
5.1.3 Medium	<p>Section 43(d) of The Government of Maintained Schools (Wales) Regulations 2005 states: <i>'The Clerk to the Governing Body must maintain a register of governors' attendance at meetings'</i></p> <p>Of the 56 minutes examined since the last review in December 2014, attendance sheets were only present for 7, all of which were for Full Governing Body meetings.</p> <p>It was also noted that on 3 of the attendance sheets, some members had ticked to demonstrate that they were present, but no signatures were provided.</p>	<p>The Clerk should retain registers of Governor attendance for all Governing Body meetings (including sub-committees).</p> <p>All Governing Body members should ensure that they sign to confirm their attendance.</p>	Implemented
5.1.4 Low	<p>The membership of governing bodies is set out in chapter 3 of The Government of Maintained Schools (Wales) Regulations 2005, which specifies that the composition of the Governing Body should consist of 6 Parent Governors, 5 LEA Governors and 2 Teacher Governors.</p> <p>During the audit, there were 5 Governing Body vacancies: 1 x LEA; 3 x</p>	<p>The School should endeavour to fill the Governor vacancies as soon as possible.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	Parent; and 1 x Teacher.		
5.1.5 High	<p>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></p> <p>Whilst it was detailed in the minutes of 6th October 2016 that Governors had completed the Declarations of Business Interests forms and that they had been retained at the School, 5 declarations could not be located.</p> <p>For the declarations that were located, 10 were dated from 15th - 17th May 2017 (i.e. during the audit review) and 2 others were not dated.</p>	<p>The Register of Business Interests should be completed at the first full Governing Body meeting of each academic year.</p> <p>All declarations should be held at the School.</p>	Implemented
5.1.6 High	<p>Section 56(2) of The Government of Maintained Schools (Wales) Regulations 2005 states: <i>'The pupil discipline and exclusions committee must consist of either three or five governors, but must not include the Headteacher'</i></p> <p>Whilst the Headteacher is not one of the committee members for the Pupil Discipline and Exclusion Committee, the Headteacher was minuted as 'present' at 2 meetings examined (18th November 2015 and 8th February 2016), alongside the other Governing Body members who were also 'present'.</p>	<p>For transparency, it should be ensured that where the Headteacher attends a Pupil Discipline and Exclusion Committee meeting as an 'Advisor', this is clearly minuted.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	Discussions confirmed that the Headteacher was present as an 'Advisor'; however this was not clear.		
5.1.7 High	Whilst all statutory policies and documents were in place, issues were identified in terms of the frequency of review of some policies and in demonstrating that they were ratified by the Governing Body (i.e. policies were not minuted as ratified).	<p>Policies should be reviewed in line with statutory requirements.</p> <p>For policies that do not require an annual review, the School should introduce a policy review schedule to ensure that policies are reviewed on a cyclical basis e.g. every 3 years.</p> <p>It should be ensured that each policy / document discussed and agreed is clearly detailed in the minutes for transparency.</p>	Implemented
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>There are 4 members of staff trained to Level 3 and certificates were retained at the School for each.</p> <p>Whole School Level 1 training was provided on 2nd September 2016. A</p>	<p>The School should develop a central training record to demonstrate the date and level of attainment alongside individual staff names. 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 safeguarding training is also provided to all casual / temporary staff, tutors and supply staff, with a record of the training detailed on the central training record.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>training record was presented to Internal Audit during the review which was compared to the staff list obtained from the Vision team.</p> <p>From this record, it was identified that 26 members of staff had not attended training that day (9 of which were casual / temporary staff). However, another attendance list was provided to Internal Audit at the conclusion of the review. Whilst this document states that there were only 4 members of staff not in attendance that day (all temporary / casual), the attendance for all other members of staff is confirmed by ticks next to their names and not signatures.</p>		
5.2.2 High	<p>Testing identified that there are currently 2 Tutors who attend the School: a Brass Tutor and a Maths Tutor, both of whom are paid via the School Budget Account. No HMRC checks have been undertaken for either individual.</p>	<p>Before a School engages with an entity for the provision of services, the HMRC employment status check should be undertaken for all individuals (using the HMRC Employment Status Indicator tool).</p> <p>A HMRC employment status check should be undertaken for each of these tutors immediately, with evidence of each check retained at the School.</p>	Implemented
5.3.1 High	<p>Of the 61 Purchase Card transactions examined as a sample, the following were identified as inappropriate:</p> <ul style="list-style-type: none"> • 1st September 2016 - Makro - £165.50 Prosecco Spumante & Glasses (4 x cases (16 bottles) of prosecco and 4 glasses) • 31st October 2016 - Spiros - £410.00 	<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>Gifts for staff should be financed by a staff</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Deposit paid for staff Christmas function. (The income was later received from the members of staff and banked into the budget account).</p> <ul style="list-style-type: none"> • 25th November - Flower Power - £20.50 Gift for a member of staff who left. • 2nd December 2016 - Spiros - £723.13 Paid the balance of the staff Christmas function. (The income was received from the members of staff and banked into the budget account). <p>In addition, no receipts were located for 3 transactions, therefore it could not be confirmed as to whether the purchases were appropriate (please refer to 5.3.2).</p>	<p>collection in future.</p> <p>Under no circumstances should the School's Purchase Card be used to pay for staff functions (even on a temporary basis) and the income subsequently reimbursed to the budget account.</p>	
5.3.2 Medium	<p>Difficulties were experienced in locating the supporting documentation for the Purchase Card transactions examined. Whilst the majority were located eventually, no receipts were found for the following:</p> <ul style="list-style-type: none"> - 9th September 2016 - Jewson Ltd - £186.78 - 22nd September 2016 - Promotional Production - £87.00 - 17th March 2017 - RSS Magor Motorway - £30.00 <p>In addition, there was no appropriate VAT receipt present to accompany the following transactions:</p> <ul style="list-style-type: none"> - 10th June 2016 - Paypal - £321.54 gross, £53.59 VAT; - 31st August 2016 - Fitness Superstore - £135.98 gross, £22.66 VAT; - 8th November 2016 - www.lampshonline - 71.70 gross, £11.95 	<p>The School should reconsider the way in which financial documentation is filed to allow evidence / supporting documentation to be located more efficiently.</p> <p>Every effort should be made to obtain all receipts and appropriate VAT receipts where VAT is to be reclaimed. An appropriate VAT receipt should include:</p> <ul style="list-style-type: none"> • details of the sale including the tax date; • the supplier's VAT registration number; • the amount paid for the goods or services; and 	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>VAT;</p> <ul style="list-style-type: none"> - 9th December 2016 - Paypal - £318 gross, £53.10 VAT; - 10th January 2017 - Paypal £210.00 gross, £25.00 VAT; and - 7th February 2017 - Paypal £358.80 gross, £59.80 VAT. 	<ul style="list-style-type: none"> • the amount of VAT that the supplier has charged to you. <p>If a VAT receipt cannot be obtained and it is unknown as to whether the individual / company is VAT registered, it should be assumed that they are not, and therefore the gross amount should be treated as outside the scope.</p> <p>If a receipt cannot be obtained, a 'Record of Expenditure without Receipt' form should be completed and signed by 2 members of staff.</p>	
<p>5.3.3</p> <p>Medium</p>	<p>All purchase card transactions are confirmed via a monthly statement received on the 3rd of each month, and the respective direct debit for the monthly sum taken from the School bank account on the 10th.</p> <p>In order for SIMS to replicate the School Bank Statement, a Cash Book journal should be undertaken on receipt of the Purchase Card Bank Statement.</p> <p>During the last financial year (2016/17), delays were identified in completing journals for 8 of the 12 months bank statements, up to 21 days on one occasion.</p>	<p>The cashbook journals for all purchase card payments should be updated to SIMS as soon as possible following receipt of the bank statements to ensure that SIMS correctly reflects the expenditure that has been incurred.</p>	<p>Implemented</p>
<p>5.4.1</p> <p>High</p>	<p>Several requests were made following the scoping meeting and during the audit review for a copy of the School's Financial Procedures. There was uncertainty as to whether there was such a document initially;</p>	<p>The Finance Policy should be enhanced to specify the individual staff responsible for the School's financial and administrative tasks.</p>	<p>31 March 2018</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>however a copy was provided to Internal Audit following the closure meeting.</p> <p>Whilst all aspects of Finance and Administration are detailed, the document does not specify responsibility for tasks.</p> <p>Additionally, the document still refers to Petty Cash; however the School no longer operate a Petty Cash account.</p>	<p>Once completed, the procedures should be presented to the Governing Body for approval and issued to all appropriate members of staff.</p> <p>NB: Any revision to the Policy should take into account recommendations raised elsewhere in this report.</p>	
5.4.2 Medium	<p>Examination of the 'Booking Form and Usage Contract' for School hires identified that whilst they state that 'Cheques should be made payable to Hawthorn High School' and that 'cash payments may be made to the reception at Hawthorn Swimming Pool', the booking form does not state the terms and conditions of payment i.e. that payment should be made within 21 days.</p> <p>At the time of the audit review, there was £4,824.50 owed to the school in respect of hires, of which £4,236.50 was in excess of 21 days old.</p>	<p>The 'Booking Form and Usage Contract' should be amended to include terms and conditions for payment i.e. 21 days.</p>	Implemented
5.4.3 Medium	<p>At present, neither the Headteacher nor the Estates Manager are routinely notified of the hires at the School. All are solely managed and issued by the Pool Manager.</p>	<p>While it is acknowledged that it is part of the Pool Manager's role to manage hires for the School's facilities, Management should be formally notified of all hires, usage and income received on a regular basis.</p>	Implemented
5.4.4 Low	<p>Income received in respect of the swimming pool, astroturf and school ties are collected outside of the Finance Office.</p> <p>The Pool Manager, who receives income relating to the pool and</p>	<p>The handover of cash and cheques should be signed by both parties, to demonstrate that all amounts agree.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	astroturf, records income when received, and passes the income to the Finance Officer weekly for banking. Both members of staff sign to confirm the handover of cash, but not cheques.		
5.4.5 Medium	Delays were identified in bankings made throughout the 2016/17 financial year, up to 36 days in one instance.	All income received (both cash and cheque) should be banked regularly.	31 March 2018
5.4.6 High	There are 2 safes in the School (Location A and B). No issues were identified in terms of the access to the safe at Location A. However, it was noted that for the safe at Location B, all 3 members of staff can access the safe, in addition to casual staff who are occasionally employed at busy periods.	Access to the safe at Location B should be reviewed and restricted.	Implemented
5.4.7 High	All bookings for the swimming pool and astroturf are managed by a system that the School purchased called the EZ booking system. The Pool Manager is responsible for using the system. For every booking made on the system, an 'account' is created and invoices automatically generated. The invoices created from the EZ system are then provided to the Finance Officer in order for her to create a replica invoice on SIMS to ensure that SIMS (as the main accounting system) is up-to-date with the anticipated income due to the School. However the invoices created from the EZ system are the versions that are sent to customers. The following issues were noted:	Invoices sent to customers relating to the swimming pool and astroturf bookings should be issued from SIMS, as this is the School's main accounting system. The invoice will contain the Council's VAT number and will detail the terms and conditions of payment; however it should be ensured that the correct VAT codes are used. The invoices that are created from the EZ system should be supplementary information to support the SIMS invoice sent to the customer.	Implemented

SUMMARY OF RECOMMENDATIONS:																			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE																
	<ul style="list-style-type: none"> • There is a duplication of work; • The EZ invoices are not official Council invoices and do not include the Council's VAT number; • The EZ invoices do not state terms and conditions for payment; and • The Aged Debtor Report from SIMS and Accounts Receivable report from EZ were compared for this financial year, and the amounts owed to the school were different on both reports (£4,824.50 on EZ and £7,631.35 on SIMS). <p>It was also noted when examining the duplicate invoices created on SIMS, that VAT was incorrectly coded on occasions. E.g. for clubs who have VAT exemption, the invoice was coded to 'Outside of Scope' rather than 'Exempt'.</p>	<p>This will also ensure that there is a segregation of duties.</p>																	
5.5.1 High	<p>Section 2.3 of the LAF Rules states: <i>'The school must not be allowed to overdraw the account'.</i></p> <p>The following instances were identified where the School's bank account was overdrawn:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Amount Overdrawn</th> </tr> </thead> <tbody> <tr> <td>1st - 7th April 2016</td> <td>-£30,334.06</td> </tr> <tr> <td>23rd - 29th Dec 2016</td> <td>-£9,560.28</td> </tr> <tr> <td>30th Dec – 5th Jan 2017</td> <td>-£10,476.22</td> </tr> <tr> <td>6th – 12th Jan 2017</td> <td>-£7,729.97</td> </tr> <tr> <td>17th – 23rd Feb 2017</td> <td>-£45,192.04</td> </tr> <tr> <td>24th Feb – 2nd Mar 2017</td> <td>-£50,487.19</td> </tr> <tr> <td>3rd – 9th Mar 2017</td> <td>-£39,532.00</td> </tr> </tbody> </table>	Date	Amount Overdrawn	1st - 7th April 2016	-£30,334.06	23rd - 29th Dec 2016	-£9,560.28	30th Dec – 5th Jan 2017	-£10,476.22	6th – 12th Jan 2017	-£7,729.97	17th – 23rd Feb 2017	-£45,192.04	24th Feb – 2nd Mar 2017	-£50,487.19	3rd – 9th Mar 2017	-£39,532.00	<p>The School should not allow their account to go overdrawn.</p> <p>The account should be closely monitored to ensure that there are no cash flow issues which could cause the account to become overdrawn.</p>	Implemented
Date	Amount Overdrawn																		
1st - 7th April 2016	-£30,334.06																		
23rd - 29th Dec 2016	-£9,560.28																		
30th Dec – 5th Jan 2017	-£10,476.22																		
6th – 12th Jan 2017	-£7,729.97																		
17th – 23rd Feb 2017	-£45,192.04																		
24th Feb – 2nd Mar 2017	-£50,487.19																		
3rd – 9th Mar 2017	-£39,532.00																		

SUMMARY OF RECOMMENDATIONS:				
REPORT REF. & PRIORITY	FINDING		RECOMMENDATION	IMPLEMENTATION DATE
	10th – 16th Mar 2017	-£2,163.96		
	24th – 30th Mar 2017	-£4,749.38		
5.5.2 High	Whilst bank statements are received weekly, there is no evidence on the bank statements to demonstrate that they have been reconciled to SIMS i.e. transactions are not ticked and the bank statements are not signed or dated.		The bank statements should be reconciled as soon as possible upon receipt and should clearly demonstrate that they have been reconciled (e.g. transactions ticked) and the statements signed and dated by the person who undertook the reconciliation.	Implemented
5.5.3 High	The Finance Officer receives, records and banks income, raises invoices and is solely responsible for completing the bank reconciliation process. There should be a segregation of duties between receiving income and raising invoices.		The bank reconciliation process should be reviewed by an independent person.	Implemented
5.6.1 Medium	There is no structured process in place for providing Budget Holders with regular budgetary information from SIMS, to allow Budget Holders to monitor their own budgets.		All Budget Holders should monitor their own budgets and maintain a budget monitoring record. In order to effectively monitor their budgets, the Finance Officer should provide Budget Holders with regular cost centre transaction reports from SIMS (e.g. monthly) to allow the Budget Holder to reconcile transactions.	Implemented
5.6.2	Virements are undertaken by either the Finance Officer or the Estates		Any alterations to the budget should be reported to / agreed by the Governing Body,	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
Medium	<p>Manager. However, the responsibility for this function has not been formally delegated by the Governing Body.</p> <p>Additionally, no record is maintained of any virements made.</p>	<p>unless responsibility for this function has been delegated. Where responsibility is to be delegated, the Governing Body should agree on a limit.</p> <p>A written record of all virements made should be maintained, with each virement authorised by an appropriate member of staff / Governing Body.</p>	
5.7.1 Low	<p>The School Development Plan covers the period 2016 - 2019. Whilst 43 priorities have been specified, estimated costs have only been attributed to 6.</p> <p>Discussions at the School revealed that this is because the School has insufficient funds available.</p>	<p>The Building Development Plan should include realistic and detailed cost implications for planned works, in order to have regard to these costs when setting the budget for each financial year.</p>	31 March 2018
5.7.2 Medium	<p>At present, the School does not have an inventory and neither are there formal procedures in place to ensure that write-offs / disposals of surplus or redundant equipment are authorised and recorded.</p>	<p>A full inventory should be compiled as soon as possible on SIMS. Thereafter, an annual review should be carried out to ensure that the record is accurate and up-to-date.</p> <p>Disposal of equipment should be formally approved and documented.</p>	31 March 2018
5.7.3 Low	<p>The Estates Manager confirmed that on occasions equipment has been taken off-site. However no formal record is made of the equipment removed from School and subsequently returned.</p>	<p>Where equipment is taken off site, a record should be maintained containing the date of removal, item of equipment, serial number, name of the person removing it and the date it was returned.</p>	Implemented

AUDIT NAME: LLANHARI PRIMARY

DATE FINAL REPORT WAS ISSUED: 15/11/2017

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.

Llanhari Primary School was last subject to an Internal Audit Review in October 2013 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 2016/17 and 2017/18.

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 2016 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 1998.

AUDIT OPINION

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

Safeguarding and Educational Visits

The School has a Safeguarding and Child Protection Policy which is reviewed annually. Testing identified that all staff received the appropriate clearances

before commencing duties in their posts.

Details of child protection training undertaken by staff is maintained on a training record held at the School although a review of this record revealed that 2 members of staff have not received the relevant training. This report recommends that both members of staff receive safeguarding and child protection training as soon as possible.

Payments are being made to individuals via the School Private Fund in respect of guitar and judo lessons. Although it is accepted that income is being collected from pupils to subsidise payment to the tutors, this type of expenditure does not fall within the scope of the School Private Fund. Additionally, the School did not complete a questionnaire on the HMRC Website to determine employment status. This report recommends that before the School engages with an entity for the provision of services, they must check employment status and retain the evidence of outcomes at the School.

Although the School make use of the EVOLVE system to record details of off-site visits, care should be taken to ensure that in accordance with the document 'Planning and Approval Procedures for Educational visits', residential trips and overseas trips are entered onto the EVOLVE system within the 28 day time-scale.

Governance

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing and membership is reviewed and agreed annually. All Governing Body minutes examined were appropriately signed by the Chair of Governors. Whilst a Register of Business Interests is in place at the School and updated annually, no declaration was present for 2 current Governors.

There are 2 Governor vacancies at present. No evidence was available to confirm that the Governing Body has ratified the delegated financial limits in place for relevant staff at the School.

Whilst all statutory policies and documents were in place, some had not been endorsed by the Governing Body. This report recommends that when policies and documents are reviewed, they should be presented to the Governing Body with the minutes recording the decision made.

School Private Fund

There are only 2 members of staff who are authorised to sign cheques, hence payments may be delayed if one of the cheque signatories is absent from School.

No Record of Daily Income form is used to record all income received on a daily basis. Additionally due to the location of the School to the bank, deposits with the bank are undertaken irregularly and not in accordance of the banking guidelines set by the Council. This report recommends that Management consider moving the School Private Fund Bank Account to X Bank and if the account is opened under the RCT group of accounts, then the School can use the secure cash collection service which would allow the School to make more regular deposits with the bank.

Examination of income for the current academic year identified a number of deposits amounting to £1,100.00 that were in respect of reimbursements for training provisions. In accordance with the School Private Fund Regulations, the School Budget Account should be reimbursed the required sum immediately.

Purchase Card / Purchasing

There was a sufficient audit trail to support the expenditure; however, audit testing identified that the transaction log had not been updated with recent items of expenditure. This report recommends that the transaction log be updated following each purchase made.

Collections & Deposits

Dinner money is updated to SIMS and banked regularly, 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 had been confirmed and retained. Notwithstanding this, the School meal income records are not regularly reviewed by an independent senior member of staff. This report recommends that a person independent of the collection and recording process (i.e. Headteacher or a senior member of staff) regularly reviews the central dinner money record (and subsidiary records) to ensure that these are complete, accurate and agree with deposits made at the bank.

Equipment & Data Security

The School is registered with the Information Commissioner and a valid copy of the registration is held at the School. Information held on the system is backed up daily and confidential data is kept securely.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<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>Of the three members of School staff with designated child protection responsibility, one had not received Level 3 training (at the time of the audit review, this officer had recently been appointed to the position).</p> <p>In addition, no evidence was available at the School to demonstrate that 2 members of staff had attended the most recent child protection training delivered (Level 1).</p>	<p>As a minimum, Level 1 Safeguarding training should be arranged for the 2 members of staff as soon as possible.</p> <p>Management should ensure that the School's 3rd nominated member of staff with designated child protection responsibility undertakes level 3 training as soon as possible.</p>	Implemented
5.1.2	Examination of the School Private Fund expenditure identified that payments are being made to a guitar tutor and a Judo instructor. In	Before a school engages with an entity for the provision of services, the HMRC	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
High	<p>addition, no HMRC questionnaire was completed and no ESI reference number was obtained in respect of both.</p> <p>Furthermore, this type of arrangement should not be administered via the School Private Fund.</p>	<p>employment status check should be undertaken for all individuals (using the HMRC Employment Status Indicator tool).</p> <p>This type of expenditure should not be administered via the School Private Fund in future.</p>	
5.1.3 High	<p>All trips are being manually risk assessed by the trip organiser, entered on to EVOLVE and subsequently authorised by the Headteacher.</p> <p>The last 2 residential trips to Llangrannog were chosen for examination and the following was noted:</p> <ul style="list-style-type: none"> • Llangrannog - 19th May 2017 - the trip was not authorised on EVOLVE by the Headteacher until 5th June. • Llangrannog - 20th May 2016 - the trip was not created on EVOLVE until 18th May and classified incorrectly. <p>Neither of these trips had been entered onto EVOLVE within the designated 28 day time-scale and authorised in the correct manner.</p>	<p>Care should be taken to ensure that all trips / activities are entered onto EVOLVE within the correct time-scales and are correctly classified in order for the Outdoor Education Advisor to give the necessary assurance that the provider and trip arrangements are appropriate.</p>	Implemented
5.2.1 High	<p>Since the Headteacher's appointment to post in September 2012, the Governing Body has not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets.</p> <p>Discussions identified that, typically, all spending over £5k is discussed with the Governing Body prior to committing the School to expenditure, although most spending is discussed with the Chair of Governors during his weekly visits to the School.</p>	<p>The Governing Body should confirm a scheme of delegation and formally record the financial limits of delegated authority within the Governing Body minutes, to ensure that a permanent record of the limits and authorised staff is available at the School.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.2.2 Medium	<p>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></p> <p>Although a register has been established, no declaration was present for two Governors.</p>	A declaration should be completed in respect of the two Governors identified.	Implemented
5.2.4 Medium	<p>All statutory policies and documents are in place at the School. However, for all policies / documents, it was not evident within the Governing Body minutes that the following had been presented and ratified:</p> <ul style="list-style-type: none"> • Curriculum Policy; • Data Protection Policy; • Additional Learning Needs Policy; • Accessibility Plan; • Assessment Arrangements; • Freedom of Information Publication Scheme; • Target Setting for Schools; and • Transition Plans. 	Management should ensure that when School policies and documents are reviewed, they are presented to the Governing Body for consideration / endorsement and the outcome of the Governing Body's decision included in the meeting minutes.	Implemented
5.2.4 Low	<p>The membership of Governing Bodies is set out in chapter 3 of The Government of Maintained Schools (Wales) Regulations 2005.</p> <p>Examination of the Governing Body structure revealed that there is currently 1 LEA Governor vacancy and 1 Parent Governor vacancy.</p>	The School should endeavour to fill the Governor vacancies as soon as possible.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.3.1 High	There is no central record of daily income maintained at the School.	<p>A Record of Daily Income should be maintained by the Fund Treasurer and completed as and when School Private Fund income is received. This should be used to update the Private Fund Ledger and be totalled and ruled off when the income is subsequently banked.</p> <p>The date of banking should also be recorded for completeness.</p>	Implemented
5.3.2 Medium	<p>The School Private Fund bank account is currently held with X Bank.</p> <p>The nearest X Bank to the School is in Y.</p> <p>Audit testing identified that only 19 deposits have been made with the bank during the current academic year, of which only 1 has been made in accordance with the Council's Banking Guidelines.</p>	<p>Management should consider moving the School Private Fund Bank Account to Z Bank. If the account is opened under the RCT group of accounts, then the School can use the secure cash collection service. This would allow the School to make more regular deposits with the bank in a safe environment thus eliminating the risks associated with banking visits and staff time in the office could be better utilised.</p> <p>If it is decided that the bank account will be changed, contact should be made to the Council's Bank Reconciliation Team based at Bronwydd to discuss this option further.</p> <p>If however the School chose to continue with the current bank account then bankings</p>	<p>N/A</p> <p><u>Management Response:</u> <i>The school will keep the same bank account for ease of access.</i></p> <p><i>Banking will be completed at least twice a week.</i></p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		should be made in accordance with the School Private Fund Regulations.	
5.3.3 Medium	Examination of the School Private Fund income for the current academic year identified a number of deposits amounting to £1,100.00 in respect of reimbursements for training provisions.	The School budget account should be reimbursed with the required sum immediately, with details of the transaction clearly recorded on the School Private Fund records.	Implemented
5.3.4 Medium	Point 4.3 of the School Private Fund Regulations states: <i>'All monies collected must be banked intact, in order that income can be traced and reconciled to bankings. No deductions should be made from such money'</i> Examination of the School Private Fund income identified one occasion (21.1.17) whereby money was withheld from the income collected to refund Llangrannog money, judo money and guitar money, to parents.	All income received should be banked intact to ensure that it can be traced and reconciled to bankings. Alternative arrangements should be made in respect of making refunds to parents in future i.e. any refunds to pupils should be paid by cheque or a cash float may be operated (if a cash float is introduced, additional records must be maintained - please refer to Appendix 7 of the School Private Fund Regulations).	Implemented
5.3.5 Low	There are only 2 cheque signatories for the School Private Fund, both of whom are required to sign to authorise a cheque.	A third cheque signatory should be appointed. This will ensure that cheques can be authorised and issued promptly (in the absence of 'one' signatory).	Implemented
5.4.1 Medium	Point 6.1 of the Cardholder Manual for Schools states: <i>'Each Purchasing Card transaction should be recorded on your transaction log as soon as the transaction is complete to ensure that</i>	In line with the Cardholder Manual, the transaction log should be updated as and when a Purchase Card payment is made, which will enable the transactions listed on	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>no information is omitted.'</i> The transaction log is updated with details of purchases made at the end of each billing period and not as and when a purchase is made.</p>	<p>the log to be reconciled to the Barclays system monthly.</p>	
<p>5.5.1 Medium</p>	<p>No independent review of the Dinner Money records is currently being undertaken.</p>	<p>A person independent of the process of collecting and recording dinner money received (i.e. Headteacher or other designated member of staff) should regularly review the central Dinner Money record (and subsidiary records) and cross-reference to the deposits made at the bank to ensure that these are complete and accurate and that all dinner money received has been deposited promptly.</p> <p>At the end of each week, the Authorised Banking Return should be signed to certify that the record is a true reflection of collections and deposits that have occurred.</p>	<p>Implemented</p>
<p>5.6.1 Medium</p>	<p>The School's inventory list is currently not up to date.</p> <p>Additionally, observations made during the audit visit also identified that ICT equipment is not marked up as property of the School.</p>	<p>A full inventory review of the School's assets should be completed immediately.</p> <p>Thereafter, an annual review should be carried out to ensure that the record is accurate and up-to-date.</p> <p>ICT equipment should be marked as property of the School.</p>	<p>Implemented</p>

AUDIT NAME: LLANILLTUD FAERDREF PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED: 21/12/2017

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.

Llanilltud Faerdref Primary School was last subject to an Internal Audit Review in April 2014 and this is the third cyclical visit made to the School to examine the 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 using transactions processed during financial year 2017/18. 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 2016 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.

AUDIT OPINION

Overall, the control environment at Llanilltud Faerdref Primary School is considered effective with opportunity for improvement.

Governance

The structure and constitution of the Governing Body and Sub Committees has been established and is reviewed and approved annually; however there are currently 2 governor vacancies.

The Headteacher (who started at the School in April 2017) was unsure as to whether the Governing Body has set financial limits for delegated authority.

There were declarations of business interests forms present for each Governing Body member; however one was dated 2015. All minutes are loose-leaf and signed by the Chair of Governors. Decisions were made at one meeting despite the meeting not being quorate. Whilst all statutory policies and documents were in place, 2 had not been reviewed annually and not all had been discussed and ratified by the Governing Body in the last 3 years.

Safeguarding

There is a Child Protection Policy in place which is reviewed annually. All staff have signed to demonstrate that they have read and understood the Policy. 3 members of staff and 1 Governor have been designated responsibility for safeguarding. There was evidence at the School to demonstrate that all members of staff have received Level 1 training, apart from the Caretaker. Additionally, the Headteacher's Level 3 certificate was no longer valid at the time of the review; however further training had been arranged.

All staff received DBS clearance prior to commencing in post and there was a DBS record at the School for all staff and supply teachers. The Headteacher confirmed that no Tutors attend the School. All educational visits are recorded appropriately on Evolve.

School Private Fund

There is an appropriate Management Committee in place and 2 Auditors appointed. The last Annual Certificate and Summary of Accounts were completed and sent to Education Finance within the required timescale.

All income examined had been appropriately recorded and banked. Whilst the bank statements demonstrate evidence of being reconciled, they are not signed and dated. Additionally, the previous Headteacher is still named as the 'Addressee' on the bank statements.

6 of the purchases examined as a sample were considered to be outside of the scope of the School Private Fund Regulations, and no receipts were located to support 10 purchases totalling £2,383.23.

Purchase Card

There is 1 purchase card in use and a transaction log maintained to record all purchases made, which is reconciled to the Barclays system weekly. The card is occasionally used by the Caretaker (for School purposes) and is appropriately signed 'out' and 'back in' to document these instances.

Receipts were present to support each transaction examined as a sample; however there were no VAT receipts to support 16 purchases where VAT was reclaimed.

School Meals

The income examined as a sample was appropriately recorded and banked. Prior to banking, all income is held securely. The Headteacher provides an independent review of school meal income.

There are appropriate processes in place for ensuring that the correct number of meals have been served on a daily basis and to pursue any outstanding school meal income.

Free school meal authorisations were present for each of the 20 pupils selected as a sample.

Purchasing

Where purchase orders are placed, they are made either on-line or via telephone. There is no written record of the orders or evidence to demonstrate that they were authorised by the Headteacher prior to ordering.

Data Security

The School is registered with the Information Commissioner's Office. Back ups are undertaken by the Council. The School has an Inventory which is up-to-date and reviewed at the beginning of each academic year. All I.T. equipment has been marked with the School's post code with an indelible pen. No equipment is taken off-site.

Formula Funding

Each pupil on the latest Pupil Count corresponded to the School's registers.

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

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.</p> <p>At the time of the review, there were 2 vacancies: 1 x LEA Governor; and 1 x Parent Governor.</p>	<p>The School should continue to canvass to fill these vacancies as soon as possible.</p>	<p>Implemented</p>
5.1.2 Medium	<p>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></p> <p>A full schedule of declarations was in place. However, the declaration for one Governor was dated 5th June 2015.</p>	<p>It should be ensured that a declaration of business interests register is 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.</p> <p>The out-of-date declaration should be updated immediately.</p>	<p>Implemented</p>
5.1.3 High	<p>Part 9, Paragraph 60 (5) of the Government of Maintained Schools (Wales) regulations 2005 specifies that: <i>'The quorum for a meeting of a committee and for any vote on any matter at such a meeting is one half (rounded up to a whole number) of</i></p>	<p>It should be ensured that decisions are only made where meetings are quorate.</p> <p>The Committee should re-convene in order to</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>the membership of the committee excluding any vacancies'</i></p> <p>3 Members of the Salary / Remuneration committee should be present in order for the meeting to be quorate.</p> <p>A Salary / Remuneration Committee was held on 16th September 2015; however only 2 Members were present. Despite this, the meeting proceeded and decisions were made regarding the salaries of two members of staff .</p>	consider / ratify the decision.	
5.1.4 High	There was no evidence in the minutes to demonstrate that the Governing Body had agreed financial limits for delegated authority for the new Headteacher and any other relevant members of staff.	<p>The financial limits for delegated authority should be discussed and agreed at the next Governing Body meeting (Finance or Full Governing Body).</p> <p>Any decision made should be appropriately minuted together with the delegated limits.</p>	Implemented
5.1.5 Medium	<p>Whilst all statutory polices and documents were in place at the School, it was noted that 2 had not been reviewed annually as per the Governors Wales requirements:</p> <ul style="list-style-type: none"> • Assessment Arrangements (last reviewed 2015); and • Pay Policy (last reviewed April 2016). <p>Additionally, there was no evidence in the Governing Body minutes for the past 3 years to demonstrate that the following statutory policies and documents had been discussed and ratified:</p> <ul style="list-style-type: none"> • Curriculum Policy; • Data Protection Policy; 	<p>Statutory policies and documents should be reviewed in line with the Governors Wales requirements.</p> <p>When policies and documents are reviewed and ratified by the Governing Body, it should be ensured that they are clearly detailed in the minutes for transparency.</p> <p>For those policies that do not require annual review, it is good practice to review them on</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<ul style="list-style-type: none"> • Equality Policy; • Health & Safety Policy; • Pay Policy; • Pupil Discipline Policy; • Sex Education Policy; • Special Educational Needs Policy; • Accessibility Plan; • Assessment Arrangements; • Freedom of Information Publication Scheme; • School Prospectus; and • Transition Plans. 	a rolling programme (e.g. every 3 years) to consider if they are still relevant.	
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>'Level 1' training was last provided to the whole school on 22nd March 2016. There was a training record at the School which was compared to the staff list obtained from the Vision system - the following was noted:</p> <ul style="list-style-type: none"> • Caretaker - training record states that he received safeguarding training 'in previous job'. However, the previous employment was not with RCT and no evidence could be located. • Headteacher - Level 3 training expired September 2017; however 	<p>The Headteacher should ensure all members of staff receive safeguarding training as soon as possible after their start date and evidence retained at the School.</p> <p>Once the Headteacher has attended the Level 3 training, it should be ensured that the certificate is kept at the School.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	the Headteacher has booked Level 3 training on 18 th October 2017, which was the next available date.		
5.3.1 Medium	The previous Headteacher is still the 'addressee' on the School Private Fund bank statements.	It should be ensured that the name of the addressee is amended to the current Headteacher.	Implemented
5.3.2 Low	Whilst the bank statements demonstrate evidence of being reconciled, they are not signed and dated.	All bank statements should be signed and dated once reconciled.	Implemented
5.3.3 High	<p>Point 1.3 of the School Private Fund Regulations states: <i>'In general, the fund should benefit the pupils. The Private Fund must not be used to pay for goods or services that ordinarily would be funded from the school's delegated budget. Examples of this expenditure are also included at Appendix 1'.</i></p> <p>Of the expenditure examined, the following were not considered to be within the scope of the School Private Fund Regulations:</p> <ul style="list-style-type: none"> • 18th May 2017- £45.00 - Piano tuning - cheque number 003328; • 12th May 2017 - £20.00 - Entry for a netball tournament - cheque number 003326; • 10th July 2017 - £1121.71 - Cheque to the Budget account - items for sensory room (includes £500 from PTA) - cheque number 003348; • 12th July 2017 - £50.00 - Engraving trophies for year 6 - cheque number 003353; and • 18th July 2017 - £229.47 - Books as attendance prizes - cheque number 003358. 	<p>All purchases should be in accordance with the School Private Fund Regulations.</p> <p>The items listed would have been more appropriately funded from the School Budget Account.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.3.4 High	<p>Point 5.1 of the School Private Fund Regulations states: <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 (N.B. This should be avoided wherever possible.)'</i></p> <p>There were 33 purchases made during the sample period of May - July 2017. No receipts were located for the following:</p> <ul style="list-style-type: none"> • 26th May 2017 - £47.00 - Fruit for smoothies – Cheque number 3331; • 13th June 2017 - £33.98 - Smoothie maker – Cheque number 3335; • 05th June 2017 - £105.00 – Edwards Coaches – Cheque number 3332; • 09th June 2017 - £292.50 - Nursery / Reception trip – Cheque number 3333; • 16th June 2017 - £465.75 - Balance Danywenallt – Cheque number 3338; • 20th June 2017 - £380.00 - Mainline coaches – Cheque number 3340; • 05th July 2017 - £495.00 - Refund Danywenallt – Cheque number 3346; • 05th July 2017 - £150.00 - Deposit Xmas panto – Cheque number 3347; • 13th July 2017 - £54.00 - Chips & Ice cream Nursery / Reception – Cheque number 3351; and • 14th July 2017 - £360.00 - Chips & Ice cream Year 1 - 6 – Cheque 	<p>Receipts should be retained to support all expenditure from the School Private Fund.</p> <p>Where this is not possible, a Record of Expenditure Made Without Receipt form should be completed and appropriately signed (an example of which can be found in the School Private Fund Regulations - Appendix 8).</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>number 3352.</p> <p>A total value of £2,383.23.</p> <p>These purchases were not recorded on a Record of Expenditure Without Receipt form.</p>		
<p>5.4.1</p> <p>Medium</p>	<p>Whilst receipts were located for each of the 34 purchase card transactions examined as a sample, there was no appropriate VAT receipt to support the following transactions:</p> <ul style="list-style-type: none"> • 29th April 2017 – Amazon – Gross £177.97 – VAT £29.66; • 4th May 2017 – Amazon – Gross £15.74 – VAT £2.62; • 5th May 2017 – Amazon – Gross £3.99 – VAT £0.66; • 5th May 2017 – Amazon – Gross £5.63 – VAT £0.94; • 5th May 2017 – Amazon – Gross £11.94 – VAT £1.99; • 5th May 2017 – Amazon – Gross £19.98 – VAT £3.33; • 11th May 2017 - Andrelleducation.co.uk – Gross £144.00 – VAT £24.00; • 17th May 2017 – Amazon – Gross £33.98 – VAT £5.66; • 17th May 2017 – Amazon – Gross £68.41 – VAT £11.40; • 18th May 2-17 – Amazon – Gross £41.70 – VAT £6.95; • 18th May 2017 – Amazon – Gross £12.22 – VAT £2.04; • 19th May 2017 – Amazon – Gross £31.44 – VAT £5.24; • 23rd May 2017 – Amazon – Gross £189.98 – VAT £31.66; • 23rd May 2017 – Amazon – Gross £295.58 – VAT £65.93; • 25th May 2017 – Amazon – Gross £5.49 – VAT £0.91; and • 07th June 2017 – Amazon – Gross £14.99 – VAT £2.50. 	<p>Every effort should be made to obtain an appropriate VAT receipt to accompany all purchases where VAT is to be reclaimed. An appropriate VAT receipt should include:</p> <ul style="list-style-type: none"> • details of the sale including the tax date; • the supplier's VAT registration number; • the amount paid for the goods or services; and • the amount of VAT that the supplier has charged. <p>If a VAT receipt cannot be obtained and it is unknown as to whether the individual / company is VAT registered, it should be assumed that they are not, and therefore the gross amount should be treated as outside the scope.</p> <p>Please note, it is the status of the supplier (VAT registered or not) that must be considered first before considering whether the items are VAT applicable.</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.5.1 Medium	<p>Despite most resources being ordered using the Purchase Card, occasionally a purchase order has to be placed.</p> <p>Where these instances occur at the School, orders are placed over the telephone or on-line, but a formal order is not completed or authorised by the Headteacher.</p>	<p>The School should ensure that where the Purchase Card cannot be used, for any goods / services required, an official order is raised using the F111 order book.</p> <p>This will ensure that a certified copy of the order is held at the School which can be used to undertake a delivery check when the goods are received and assist with any discrepancies with the order.</p>	Implemented

AUDIT NAME: LLWYNPIA PRIMARY SCHOOL

DATE FINAL REPORT WAS ISSUED: 21/11/2017

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.

Llwynypia Primary School was last subject to an Internal Audit Review in April 2014 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 2016/17 and 2017/18.

The objectives of the review were:

- To review the governance arrangements 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 2016 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 1998.

AUDIT OPINION

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

Governance

The structure and constitution of the Governing Body and Sub Committees has been established and is reviewed and approved annually; however at the

time of the audit fieldwork there were 2 governor vacancies. Declarations of business interests could not be located for 2 Governing Body members. The Headteacher's limit for delegated authority was agreed during the spring term 2017 meeting. All minutes are signed by the Chair of Governors. Whilst all statutory policies and documents were in place, there was no evidence of 12 being presented to and ratified by the Governing Body in the last 3 years. It was noted that 4 Policies were subsequently listed on the agenda to be discussed in the Governing Body meeting on 17th October 2017.

Safeguarding

The School has a Child Protection Policy which is reviewed annually and has been signed by the Chair of Governors, Headteacher and a second Designated Person. However, the School needs to establish a third Designated Person in line with the requirements of the Cwm Taf Safeguarding Children Board's Child Safeguarding Policy.

All staff attended Level 1 training in May 2017 and the attendance list was present at the School. Certificates of each Level 3 trained member of staff were held at the School; however the Headteacher's certificate expired in September 2017. Further training has been arranged on the 16th November 2017.

Each member of staff received DBS clearance prior to commencing in post and the School has an up to date DBS record, which also includes details for Supply Staff, volunteers and Tutors.

HMRC checks have been completed and evidence retained for the 2 Tutors who attend the School.

Evolve is used to record all educational visits. However, the residential / adventurous trips for the current and previous year were not entered or approved on Evolve in line with the EVC Procedures i.e. entered and approved on Evolve at least 28 days prior to the visit.

School Private Fund

The Management Committee has been established, including Auditors. However one Auditor is also a cheque signatory, which is not permitted. The last Annual Certificate and Summary of Accounts were completed and submitted to Education Finance within the required timescale.

Testing identified that income received for one trip had not been recorded and banked correctly; instead of banking all of the income received in full (£500), only £145 was banked (this was subsequently used to pay for the bus). The remaining cash / balance was used as a float for the trip; however appropriate records were not maintained and receipts were not present to support all expenditure. In addition, receipts could not be located to support a further 6 transactions.

Purchase Card

There is one purchase card in use at the School. Currently, only one member of staff is responsible for maintaining the Purchase Card records (every Friday); however, during busy periods, the records may be updated once a fortnight or longer. There are no dates recorded on the transaction log, therefore, it could not be established whether it was up-to-date and there was no evidence of a regular reconciliation.

No receipts were located for 2 purchases and no appropriate VAT receipts were in place for 4 transactions.

The card is used by other members of staff at the School (for School purposes), which is documented on a signing in / out record. No cash is withdrawn.

School Meals

All income examined was appropriately recorded and banked. The Headteacher provides a regular independent review of the records.

There are appropriate processes in place for ensuring that the correct number of meals have been served on a daily basis and to pursue any outstanding school meal income.

Free school meal authorisations were present for each of the 20 pupils selected as a sample.

Data Security

The School is registered with the Information Commissioner's Office. Back ups are undertaken by the Council. The School has an inventory, which is up-to-date. I.T equipment has not been marked as property of the School.

Formula Funding

Each pupil on the latest Pupil Count corresponded to the School's registers.

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

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.</p> <p>At the time of the review, there were 2 vacancies: 1 x Parent Governor; and 1 x Community Governor.</p> <p>It is acknowledged that these vacancies have not affected the ability of the committees to be quorate.</p>	<p>The School should continue to canvass to fill these vacancies as soon as possible.</p>	<p>Implemented</p>
5.1.2 Medium	<p>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>.</p> <p>Declaration of Business Interests could not be located for 2 Governors. (It is noted that one of the Governors was disqualified on 9th May 2017, due to non-attendance of meetings).</p>	<p>It should be ensured that a declaration of business interests register is 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.</p> <p>The missing declaration should be completed immediately.</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.3 Medium	<p>Whilst all statutory policies and documents were in place at the School, there was no evidence in the Governing Body minutes for the past 3 years to demonstrate that the following statutory policies and documents had been presented and ratified:</p> <ul style="list-style-type: none"> • Admissions Policy (on agenda for meeting 17th October 17); • Charging Policy (discussed during meeting 9th March 16 but not accepted); • Curriculum Policy (on agenda for meeting 17th October 17); • Equality Policy; • Pay Policy (on agenda for meeting 17th October 17); • Sex Education Policy; • Accessibility Plan; • Assessment Arrangements (minuted in meeting 25th February 2015, however this is an annual policy); • Freedom of Information Publication Scheme; • School Prospectus; • Target Setting for Schools (on agenda for meeting 17th October 17); and • Transition Plans. 	<p>Statutory policies and documents should be reviewed in line with the Governors Wales requirements.</p> <p>When policies and documents are reviewed and ratified by the Governing Body, it should be ensured that they are clearly detailed in the minutes for transparency.</p> <p>For those policies that do not require annual review, it is good practice to review them on a rolling programme (e.g. every 3 years) to ensure that they are still relevant.</p>	Implemented (with ongoing review of policies as recommended)
5.2.1 Medium	<p>In line with the Cwm Taf Safeguarding Children Board's Child Safeguarding Policy (that all Schools must adopt), all Schools are required to have 3 'Designated' members of staff responsible for safeguarding.</p> <p>At the time of the review, there were only 2 'Designated' members of staff responsible for safeguarding.</p>	A third Designated Person for safeguarding should be established and detailed on the Child Protection Policy.	Implemented
5.2.2	Section 2.21 of Keeping Learners Safe: The role of local authorities,	The Headteacher should ensure that	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
Low	<p>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>The Headteacher's Level 3 training expired on 23rd September 2017. Whilst further training has been arranged, it is not until 16th November 2017.</p>	<p>safeguarding training and other related training is renewed as and when required for all members of staff.</p> <p>It should be ensured that the renewal of all training is arranged prior to the expiry date.</p>	
5.2.3 Medium	<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>Year 5 and Year 6 pupils attend residential / adventurous trips each year. The following issues were noted in terms of recording and authorising the visits on Evolve for the last 2 years:</p> <p><u>Brecon Llwyn Filly PGL - 9th - 11th June 2017</u> Date entered on Evolve: 23rd May 2017 Date approved by Head & EVC: 23rd May 2017 Date approved by LA: 23rd May 2017</p> <p><u>Llangrannog 2017 - 13th - 15th October 2017</u> Date entered on Evolve: 11th October 2017 Date approved by Head & EVC: Not approved Date Approved by LA: Not approved</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>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><u>Year 6 Manor Adventure - 1st - 3rd July 2016</u> Date entered on Evolve - 29th January 2016 Date approved by Head & EVC - 22nd June 2016 EVC, 23rd June Head Date approved by LA: 23rd June 2016</p> <p><u>Llangrannog 2016 - 14th - 16th October 2016</u> Date entered on Evolve - 14th October 2016 Date approved by EVC & Head: 26th January 2017 Date approved by LA: 26th January 2017</p>		
5.3.1 High	<p>Point 2.2 of the School Private Fund Regulations states: <i>'Two auditors must be appointed to audit the accounts. They need not necessarily be members of staff, and they must not hold one of the aforementioned posts i.e. Chairperson, Treasurer, Secretary or be a Cheque Signatory'.</i></p> <p>One of the current auditors is also a Cheque Signatory.</p>	<p>Both auditors appointed to audit the School Private Fund account should be entirely independent.</p> <p>The Headteacher should appoint another auditor, in compliance with point 2.2 of the School Private Fund Regulations.</p>	Implemented
5.3.2 Medium	<p>Point 4.3 of the School Private Fund Regulations states: <i>'All monies collected must be banked intact, in order that income can be traced and reconciled to bankings. No deductions should be made from such money. However, if it is necessary to make small disbursements of cash, a cash float may be operated. (i.e. a cheque cashed up to the value of £50).'</i></p> <p>During the sample period examined, one instance was identified where</p>	<p>Trip records should clearly detail the date that income was collected.</p> <p>All income collected must be banked intact.</p> <p>Cash floats are permitted, but must be financed by a cheque written for cash.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>income was not banked intact: <u>Wiggleys Farm Trip, class Melyn & Gwyrdd</u> Trip records: Gwyrdd: £240.00 Collected (no date) Melyn: £260.00 collected (no date) Total: £500.00</p> <p>Only £145 was recorded on the Record of Daily Income form as received from the Teachers (plus on the Ledger and banked). This was the amount required to cover the cost of the bus. The remaining £355 cash was taken on the trip.</p> <p>Point 4.3 of the School Private Fund (regarding cash floats) also states: <i>'Details of these purchases must be recorded on an appropriate form, an example of which is shown in Appendix 7, and receipts attached for each purchase made.'</i></p> <p>No record was maintained of the purchases made. Receipts were present, which totalled £316.45 (£38.55 variance). The members of staff who run the trip stated the remainder was used to buy animal feed for each pupil at £1 each. 50 pupils attended the trip, and one of the members of staff funded the difference, but no receipt was retained.</p>	<p>Where cash floats are required, a record must be maintained of the cash purchases (please refer to Appendix 7) and receipts retained to support each purchase.</p>	
5.3.3 High	<p>Point 5.1 of the School Private Fund Regulations states: <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</i></p>	<p>Receipts should be retained to support all expenditure from the School Private Fund.</p> <p>Where this is not possible, a Record of Expenditure Made Without Receipt form</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>Expenditure Made Without Receipts Form, which must be signed by the member of staff who incurred the expenditure (N.B. This should be avoided wherever possible.). An example of this form is included as Appendix 8.'</i></p> <p>A sample of 21 cheques were reviewed. No receipts were located for the following and no Record of Expenditure Made Without Receipt form completed and signed:</p> <ul style="list-style-type: none"> • 13th September 2016 – Manor Park trip - £1,698.67 – Cheque number 102256; • 10th October 2016 - Urdd trip - £1,200.00 – Cheque number 102259; • 21st October 2016 - Water aid - £130.00 – Cheque number 102260; • 17th January 2017 – Grant - £343.27 – Cheque number 102263; • 16th March 2017 - Cwm Taf giving to pink - £100.00 – Cheque number 102267; and • 27th June 2017 – Brecon trip £2,548.00 – Cheque number 102271. 	<p>should be completed and appropriately signed (an example of which can be found in the School Private Fund Regulations - Appendix 8).</p>	
5.4.1 High	<p>Point 6.1 of the Cardholder Manual for Schools states: <i>'Each Purchasing Card transaction should be recorded on your transaction log as soon as the transaction is complete to ensure that no information is omitted.'</i></p> <p>Currently, the Purchase Card records (i.e. transaction log, Barclays system) are updated once a week, on a Friday when the part-time School Clerk covers the office. However the School Clerk also stated that, potentially, the purchase card records may not be updated for a fortnight during busy periods, as she is solely responsible for updating the purchase card records.</p>	<p>The transaction log should be updated as and when purchases are made, not once a week / fortnight.</p> <p>It should be ensured that dates of purchases are included on the transaction log to demonstrate that it is up-to-date.</p> <p>The transaction log should be reconciled to the Barclays system regularly (e.g. weekly) with clear evidence on the transaction log of the reconciliation.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	Dates of purchase are not recorded on the transaction log, therefore, it could not be established at the time of the review whether the transaction log was up-to-date. Additionally, the column to demonstrate that the transactions have been reconciled to the Barclays system had not been 'ticked' since 8 th May 2017.		
5.4.2 Medium	<p>Of the 25 transactions examined as a sample, no receipts were located for the following:</p> <ul style="list-style-type: none"> • 26th June 2017 - ASDA - £5.28; and • 30th June 2017 - Cartridge Save - £207.20. <p>Additionally, there were no VAT receipts to support the following purchases:</p> <ul style="list-style-type: none"> • 8th June 2017 - Amazon - Gross £14.29 - VAT £2.38; • 9th July 2017 - Amazon - Gross £188.80 - VAT £31.47; • 11th July 2017 - Tonyrefail Discount Warehouse - Gross £62.03 - VAT £10.34; and • 14th July 2017 - Superbowl Merthyr - Gross £344.50 - VAT £57.42. 	<p>Receipts should be retained to support all purchase card expenditure.</p> <p>Every effort should be made to obtain an appropriate VAT receipt to accompany all purchases where VAT is to be reclaimed. An appropriate VAT receipt should include:</p> <ul style="list-style-type: none"> • details of the sale including the tax date; • the supplier's VAT registration number; • the amount paid for the goods or services; and • the amount of VAT that the supplier has charged to you. <p>If a VAT receipt cannot be obtained and it is unknown as to whether the individual / company is VAT registered, it should be assumed that they are not, and therefore the gross amount should be treated as outside the scope.</p> <p>Please note, it is the status of the supplier (VAT registered or not) that must be</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		considered first before considering whether the items are VAT applicable.	
5.5.1 Low	The School's IT equipment has not been marked as property of the School	All equipment should be marked as property of the School. This could be achieved by using an indelible pen for example.	Implemented

AUDIT NAME: OAKLANDS PRIMARY

DATE FINAL REPORT WAS ISSUED: 11/12/2017

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.

Oaklands Primary School was last subject to an Internal Audit Review in November 2013 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. Audit testing was carried out on a sample of standards, using transactions processed during financial years 2016/17 and 2017/18.

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 2016 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 1998.

AUDIT OPINION

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

Governance

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. Despite the Governing Body having one LEA

vacancy, all sub committees have the requisite number of members.

All Governing Body minutes examined were appropriately signed by the Chair of Governors. However, Governor attendance sheets for sub committee meetings were not always present.

Whilst a Register of Business Interests is in place at the School and is updated annually, there were 3 Business Interests yet to be completed.

All statutory policies and recommended documents are in place at the School; however some had not been presented to and ratified by the Governing Body. This report recommends that when policies and documents are reviewed, they are presented to the Governing Body for ratification with this being clearly detailed in the Governing Body minutes.

No evidence was available to confirm that the Governing Body had ratified the delegated financial limits in place for relevant staff at the School.

Safeguarding & Educational Visits

Testing identified that all staff received the appropriate clearances before commencing duties in their posts and all staff 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, have read it and understand it.

The School make use of the EVOLVE system to record details of all off-site visits and staff are suitably qualified to make use of the system in accordance with the document 'Planning and Approval Procedures for Educational Visits'. However, none of the 3 trips examined had been appropriately recorded on the system within the recommended timescales.

Purchasing

There is 1 Purchase Card at the School and there was a sufficient audit trail in respect of evidence being available that supports the expenditure.

Whilst most purchases are made using the Purchase Card, the School still places orders with some companies who will not accept the card. Where these instances occur, orders are recorded using the SIMS system. However, from a sample of 5 completed orders examined, all were signed by the School Clerk and since no formal scheme of delegation is in place at the School, the School is unable to demonstrate that the commitment to expenditure has been authorised by an appropriate member of staff.

School Private Fund

A Management Committee has been established and the posts held relate to the job duties undertaken. There are detailed records that provide an adequate audit trail for all income transactions. However, during July 2017, 5 instances were noted whereby no documentary evidence was held at the School to support the expenditure (amounting to £1,458.00). This report recommends that in the event that a receipt cannot be obtained, a PF2 ('Record of expenditure made without receipt' form) should be used.

Collections & Deposits

Dinner money is updated to SIMS each Friday and banked regularly. However, no formal record of the income collected throughout the week is maintained.

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.

Notwithstanding this, the school meal income records are not regularly reviewed by an independent senior member of staff. This report recommends that a person independent of the collection and recording process (i.e. Headteacher) regularly reviews the central dinner money record (and subsidiary records) to

ensure that these are complete, accurate and agree with deposits made at the bank.

Budgetary Control

The School budget has been approved by the Governing Body and spending is in line with the earmarked funding.

Equipment & Data Security

The School is registered with the Information Commissioner and a valid copy of the registration is held at the School. Information held on the system is backed up daily and confidential data is kept securely.

The implementation of the recommendations contained within this report will support the recently appointed School Clerk (with effect from 1st September 2017) in improving the overall control environment.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	The Governing Body has not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets.	The Governing Body should confirm a scheme of delegation and formally record the financial limits for delegated authority within the Governing Body minutes (and ensure that a permanent record of the limits and authorised staff is available at the School).	Implemented
5.1.2 Low	The membership of governing bodies is set out in chapter 3 of The Government of Maintained Schools (Wales) Regulations 2005, which specifies that the composition of the Governing Body should consist of 6 Parent Governors and 5 LEA Governors. Examination of the Governing Body structure revealed that there is currently 1 LEA Governor vacancy.	The School should endeavour to fill the Governor vacancy as soon as possible.	Implemented
5.1.3 Medium	Of the 3 years of Governing Body minutes examined, governor attendance sheets were only available for 2 sub committee meetings: <ul style="list-style-type: none"> • Health and Safety committee meeting - 10.12.16; and • HR committee meeting - not dated. 	Attendance sheets for all Governing Body sub committee meetings must be retained at the School and held in a manner that makes them accessible.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.4 Medium	<p>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></p> <p>Although a register has been established, no declaration was present for three Governors.</p>	<p>A declaration should be completed immediately in respect of the three Governors identified.</p>	Implemented
5.1.5 Medium	<p>All statutory policies and documents are in place at the School.</p> <p>Whilst some policies and documents are endorsed with the date of the last review, some are not and some have not been endorsed by the Governing Body.</p> <p>It was also noted that four statutory policies / documents, which should be subject to an annual review have not been reviewed.</p> <ul style="list-style-type: none"> • Pay Policy; • Assessment Arrangements; • Admissions Policy; and • Target Setting for Schools. <p>For all policies that are in place, it was not evident within the Governing Body minutes that all had been presented to the Governing Body.</p>	<p>The Headteacher and Governing Body should ensure that a rolling programme of reviews of all School policies is implemented.</p> <p>This will ensure that all policies are up to date and reflect the current practices at the School.</p> <p>Following the completion of reviews, policies should be presented to the Governing Body for consideration / ratification (and this should be minuted).</p> <p>Details of reviews should be captured on the document covers i.e. date reviewed, date to be reviewed, signed and dated.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.2.1 Medium	<p>All trips are manually risk assessed by the trip organiser, entered on to EVOLVE and subsequently authorised by the EVC Coordinator before being passed to the Headteacher for authorisation.</p> <p>A sample of trips was chosen for examination and the following was noted:</p> <ul style="list-style-type: none"> • Manor Adventure - 13th March 2017 - entered onto EVOLVE 16th February 2017 – approved 8th March 2017; • Manor Adventure - 9th March 2016 - entered onto EVOLVE 3rd March 2016 - approved 3rd March 2016; and • Llangrannog - 14th October 2016 – entered onto EVOLVE 22nd September 2016 – Approved 11th October 2016. <p>None of the above had been authorised within the designated time-scale.</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>	Implemented
5.3.1 High	<p>A review of the School Private Fund expenditure for July 2017 identified 5 payments whereby a receipt was not present to support the expenditure:</p> <ul style="list-style-type: none"> • 12.7.17 - 100005 - £26.00 - A Hill - London - reimbursement of trip; • 12.7.17 - 100006 - £30.00 - Shannon Harris - London - reimbursement of trip; • 12.7.17 - 100007 - £9.00 - S Evans - London - reimbursement of trip; • 21.7.17 - 100011 - £1,140.00 - Urdd Deposit; and • 21.7.17 - 100012 - £253.00 - RCTCBC - Bowling ice creams school trips. 	<p>In accordance with the School Private Regulations, all items of expenditure should be supported by a receipt or invoice.</p> <p>In the event that a receipt cannot be obtained, a PF2 ('Record of expenditure made without receipt' form) should be used. A recommended format for this record is included at Appendix 8 of the School Private Fund Regulations.</p>	Implemented
5.4.1	No independent review of the dinner money records is currently being	A person independent of the process of	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
Medium	undertaken.	<p>collecting and recording dinner money received (i.e. Headteacher) should regularly review the central dinner money record (and subsidiary records) and cross-reference to the deposits made at the bank to ensure that these are complete and accurate and that all dinner money received has been deposited promptly.</p> <p>At the end of each week, the Authorised Banking Return should be signed to certify that the record is a true reflection of collections and deposits that have occurred.</p>	
5.4.2 High	<p>Dinner money is updated on to the dinner money system when it is banked at the end of each week.</p> <p>Throughout the week, dinner money is received in envelopes with the pupil name and amount stated, and held within the cash box until ready for update on to SIMS.</p>	School meal income should be formally recorded as and when received, either on a manual record and then updated to SIMS (e.g. Friday) or alternatively, recorded on SIMS throughout the week upon receipt.	Implemented
5.5.1 High	The Bank Reconciliation exercise is undertaken by the School Clerk. The School Clerk is also responsible for processing all income and payment of all invoices.	The person responsible for undertaking the bank reconciliation exercise should not be responsible for the banking of income nor the processing of payments. However, where due to staff numbers this is not possible, the exercise should be overseen by a senior member of staff, who should also sign the reconciliation statements as	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		evidence of an independent check being carried out.	
5.6.1 Medium	The School's inventory list is currently not up to date. Additionally, observations made during the audit visit also identified that ICT equipment is not marked up as property of the School.	A full inventory review of the School's assets should be completed immediately. Thereafter, an annual review should be carried out to ensure that the record is accurate and up-to-date. ICT equipment should be marked as property of the School.	31 January 2018
5.6.2 Low	No formal record is maintained to record details of items of equipment taken off site.	Where equipment is taken off site a record should be introduced detailing the date of removal, item of equipment, serial number, name of the person removing it and the date it was returned.	31 January 2018

AUDIT NAME: TONYPANDY PRIMARY

DATE FINAL REPORT WAS ISSUED: 23/11/2017

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.

Tonypandy Primary School was last subject to an Internal Audit Review in May 2013 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, using transactions processed during financial years 2016/17 and 2017/18.

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 2016 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 1998.

AUDIT OPINION

Overall, the control environment in respect of the School's financial and governance arrangements is considered to be effective with opportunity for improvement.

Governance

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. Although the Governing Body having one LEA vacancy, all sub committees have the requisite number of members.

All Governing Body minutes examined were appropriately signed by the Chair of Governors and a complete Register of Business Interests is in place at the School, this being updated annually.

All statutory policies and recommended documents are in place at the School; however, some had not been endorsed by the Governing Body. This report recommends that when policies and documents are reviewed, they are presented to the Governing Body for endorsement with this endorsement being clearly detailed in the Governing Body minutes.

No evidence was available to confirm that the Governing Body has ratified the delegated financial limits for relevant staff at the School.

Safeguarding & Educational Visits

Testing identified that all staff received the appropriate clearances before commencing duties in their posts and all staff have received safeguarding and child protection training.

The School have a Safeguarding and Child Protection Policy, which is reviewed annually; however there was no documentary evidence at the School to confirm that all members of staff have received a copy of the Policy.

The School make use of the EVOLVE system to record details of all off-site visits. However, of the 3 trips examined, 1 trip had not been appropriately recorded on the system within with the recommended timescale.

Purchasing

There are 2 Purchase Cards at the School and there was a sufficient audit trail in respect of evidence being available that supports the expenditure for both cards. Audit testing identified that only 1 transaction log is in place for both cards. This report recommends that a separate transaction log is maintained for each Purchase Card.

Whilst most purchases are made using the Purchase Card, the School still places orders with some companies who will not accept the Purchase Card .

Where these instances occur, the School Clerk places an order using the official Council order book (i.e. the F111 book). From a sample of orders tested, all key controls in relation to purchasing have been met.

School Private Fund

Overall, the School Private Fund is administered in accordance with the required procedures. A Management Committee has been established and the posts held relate to the job duties undertaken. There are detailed records that provide appropriate audit trails for all income and expenditure transactions.

Collections & Deposits

Dinner money is updated to SIMS and banked regularly, 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 had been confirmed and retained.

Equipment & Data Security

The School is registered with the Information Commissioner and a valid copy of the registration is held at the School. Information held on the system is backed up daily and confidential data is kept securely.

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

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	Discussions with the Acting Headteacher established that since her appointment to post in January 2017, the Governing Body had not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets.	The Governing Body should confirm a scheme of delegation and formally record the financial limits for delegated authority within the Governing Body minutes (and ensure that a permanent record of the limits and authorised staff is available at the School).	Implemented
5.1.2 Low	The membership of governing bodies is set out in chapter 3 of The Government of Maintained Schools (Wales) Regulations 2005. Examination of the Governing Body structure revealed that there is currently 1 LEA Governor vacancy.	The School should continue to endeavour to fill the Governor vacancy as soon as possible.	31 March 2018
5.1.3 Medium	All statutory policies and documents are in place at the School. For all policies / documents, it was not evident within the Governing Body minutes that the following had been presented to the Governing Body (although it is noted that, in the main, they had been signed by the Chair of Governors): <ul style="list-style-type: none"> • Complaints Policy; • Curriculum Policy; • Data Protection Policy; • Equality Policy; • Pay Policy; • Special Educational Needs policy; • Accessibility Plan; • Action Plan following School inspection; • Assessment Arrangements; • Freedom of Information Publication Scheme; • School Improvement Plan; 	Management should ensure that when School policies and documents are reviewed, they are presented to the Governing Body for ratification (with this being clearly recorded in the Governing Body minutes).	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<ul style="list-style-type: none"> • Target Setting for Schools; and • Transition Plans. 		
5.2.1 Medium	<p>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, read and understood the Child Safeguarding Policy'</i></p> <p>There is no evidence at the School to demonstrate that all staff have received / read the School Safeguarding Policy.</p>	<p>The Acting Headteacher should ensure that all staff sign to demonstrate that they have received, read and understood the latest School Safeguarding 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>	Implemented
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>From a sample of three visits examined, one visit to Atlantic College on the 20th June 2016, had not been updated on to EVOLVE until 17th June – this not being within the correct timescales.</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>	Implemented
5.3.1 Low	<p>Section 6 of the Cardholder Manual for School document issued by Procurement Services states that: <i>'Each Purchasing Card transaction should be recorded on the transaction log as soon as the transaction is complete to ensure that no information is omitted'</i>.</p> <p>The School has two purchase cards: one held by the School Clerk and one held by the Acting Headteacher.</p>	<p>Separate transaction logs should be maintained for each Purchase Card held at the School.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>However, there is only one transaction log in place which is updated as and when a purchase is made using each of the cards.</p> <p>It is acknowledged that the individual card purchases are separately identified by the initials of the card holder on the log.</p>		

AUDIT NAME: TREROBART PRIMARY

DATE FINAL REPORT WAS ISSUED: 22/11/2017

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.

Trerobart Primary School was last subject to an Internal Audit Review in November 2013 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 the financial years 2016/17 and 2017/2018.

The objectives of the review were:

- To review the Governance arrangements 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 2016 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 1998.

AUDIT OPINION

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

Governance

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing and membership is reviewed and agreed annually.

All Governing Body minutes examined were appropriately signed by the Chair of Governors; however Governing Body attendance sheets are currently not held at the School. This report recommends that attendance sheets for all Governing Body meetings be retained at the School.

Although a Register of Business Interests is in place at the School and updated annually, no declaration was present for 1 Governor and the Acting Headteacher.

No evidence could be provided in respect of the Governing Body approving delegated financial spending limits for staff at the School (which should be included when the School formulate a Financial Procedures document).

The processes in respect of reviewing policies and procedures and then presenting them to the Governing Body for ratification require improvement. This report recommends that when policies and documents are reviewed, they are presented to the Governing Body for endorsement, this being clearly detailed in the Governing Body minutes.

Safeguarding & Educational Visits

The School have a Safeguarding and Child Protection Policy, which is reviewed annually. Testing identified that all staff received the appropriate clearances before commencing duties in their posts.

Although a record of staff DBS reference numbers is maintained, the list held includes one member of staff who is no longer employed at the School.

Whilst most staff have received Safeguarding and Child Protection training, and there is documentary evidence held at the School to support this, this review has identified that there are 4 casual members of staff who have not received any formal training. The report recommends that appropriate child protection training is provided to the 4 members of staff identified as soon as possible.

The School use the EVOLVE system to record details of all off-site visits. This review has established that all staff are suitably qualified to make use of the system in accordance with the document 'Planning and Approval Procedures for Educational Visits'.

School Private Fund

Overall, the School Private Fund is administered in accordance with the regulations, with detailed records that provide an adequate audit trail for all income and expenditure transactions.

An appropriate Management Committee has been established and the Annual Certificate and Audited Accounts were submitted to Education Finance by the required date.

Notwithstanding this, at the time of the audit review, the Private Fund ledger was not up to date.

One occasion was noted whereby a cheque was drawn to reimburse the School Budget Account for items purchased using the Purchase Card. The items purchased were for curriculum based activities and this purchase was therefore not in line with the School Private Fund Regulations.

Purchasing

Whilst most purchases are made using the Purchase Card, the School still places orders with some companies who will not accept the Card. Where these instances occur, orders are raised using the SIMS system. However, from a sample of 5 completed orders examined, 2 orders were raised on SIMS after receipt of the goods and corresponding invoice. The School are therefore unable to demonstrate that the Headteacher gave prior approval before placing each order.

In terms of items purchased using the School Purchasing Card, there is a sufficient audit trail in respect of evidence being available that supports the expenditure; however, audit testing identified that the transaction log had not been updated with recent items of expenditure and that on the occasion the

Purchase Card is shared with other members of staff, rather than a formal log being completed, a note is made in the School diary. This report recommends that the transaction log is updated following each purchase made and that a formal card sharing log is introduced at the School.

Collections & Deposits

Dinner money is updated to SIMS and banked regularly; 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 had been confirmed and retained.

Equipment & Data Security

The School is registered with the Information Commissioner and a valid copy of the registration is held at the School. Information held on the system is backed up regularly and confidential data is kept securely. This review has identified that the School Inventory is not presently up to date.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<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 training was provided to the whole School on 1st September 2016, there are 4 casual members of staff who have not received formal training.</p>	<p>As a minimum, Level 1 Safeguarding training should be arranged for the 4 members of staff as soon as possible.</p>	Implemented
5.1.2 Low	<p>The School list detailing staff DBS reference numbers was compared to the current list of staff employed at the School as provided by Vision Support Team.</p> <p>One member of staff was present on the School's list as a casual member of staff but is no longer employed at the School.</p>	<p>The Headteacher should ensure that when staff leave the School the DBS list is updated.</p> <p>The appropriate amendments should be made in respect of the 1 member of staff</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		identified.	
5.2.1 High	<p>Discussions with the Acting Headteacher established that the Governing Body has not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets.</p> <p>Further discussions identified that typically all spending over £5k is discussed with the Governing Body prior to committing the School to expenditure.</p>	<p>The Governing Body should establish the financial limits of delegated authority to the Headteacher and relevant staff, and this should be formally approved (and minuted) by the Governing Body.</p> <p>In addition, this information should be included when the School formulate a Financial Procedures document.</p>	Implemented
5.2.2 Low	<p>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>.</p> <p>Although a register has been established, no declaration was present for 1 Governor and the Acting Headteacher (who was appointed to post in January 2017).</p>	<p>A declaration should be completed immediately in respect of the Governor identified and the Acting Headteacher.</p>	<p>Implemented & on-going:</p> <p><u>Management Response:</u></p> <p><i>The Acting Headteacher has tried on several occasions to contact the named Governor and will continue to do so until the declaration is completed).</i></p>
5.2.3 Medium	<p>All but 1 (i.e. Data Protection) statutory policies are in place at the School.</p> <p>Whilst some policies are endorsed with the date of the last review,</p>	<p>The Headteacher and Governing Body should ensure that they implement a rolling programme of review of all School policies. This will ensure that all policies are up to date</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>some are not and some have not been endorsed by the Governing Body.</p> <p>For all policies that are in place, it was not evident within the Governing Body minutes whether they had been presented to the Governing Body.</p>	<p>and reflect the current practices at the School.</p> <p>Following the reviews, policies should be presented to the Governing Body for consideration and ratification (and this should be minuted).</p> <p>Details of review should be captured on the document covers i.e. date reviewed, date to be reviewed, signed and dated.</p>	
5.2.4 Low	Governor attendance sheets were not evidenced during the audit fieldwork. Discussions at the School identified that they are retained by the School Governor Support Officer at Ty Trevithick.	Attendance sheets for all Governing Body sub-committee meetings must be retained at School and held in a manner that makes them accessible.	Implemented
5.3.1 Low	The entries in the School Private Fund Ledger in respect of income / expenditure should allow for prompt reconciliation within each financial period. The ledgers currently in use do not follow this format. At present, income and expenditure transactions are recorded in separate cash books and no running balance of the bank account is maintained.	<p>All expenditure transactions should be clearly recorded against any income received for the same period.</p> <p>To ensure that an accurate balance of the School Private Fund is maintained, an additional column should be added to the Ledger to allow a running balance to be maintained following each transaction.</p>	<p>Not accepted.</p> <p>There is a running balance in both cash books as the clerk finds this system easier to manage and extra information can be included if required.</p> <p>The School is able to determine the account balances at</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
			any point in time.
5.3.2 Medium	<p>At the time of the audit review, the School Private Fund ledger was not up to date.</p> <p>Two cheques had been issued on the 28th June but had not been updated onto the expenditure record and three deposits of income from 26th June onwards had also not been updated to the income record.</p>	<p>Care should be taken to ensure that all income received and expenditure incurred is recorded into the Fund Ledger on a timely basis.</p> <p>These details should then be used to reconcile the account on receipt of the bank statements.</p>	Implemented
5.3.3 Low	<p>The fund expenditure for the current academic year was examined.</p> <p>The following occasion was noted whereby a cheque was drawn to reimburse the School Budget Account (for items purchased using the School Purchase Card) which were not in line with the School Private Fund Regulations:</p> <ul style="list-style-type: none"> • Veg & Grass seeds - £19.08; • Leek & onion plants - £2.50; and • Compost - £14.80. 	<p>All expenditure incurred from the School Private Fund should be in line with the School Private Fund Regulations.</p> <p>The School Private Fund should not be used to subsidise curriculum related activities.</p>	Implemented
5.3.4 Low	<p>Although it was evident that all bank statements have been reconciled to the School Private Fund Ledger by the School Clerk, each bank statement had been signed by the Headteacher.</p> <p>Discussions at the school established that it is historical that the Headteacher signs the bank statements, even though he / she has no involvement with the bank reconciliation exercise.</p>	<p>On completion of the bank reconciliation exercise, care should be taken to ensure that the bank statements are signed and dated by the person carrying out the reconciliation as evidence of when and by whom this was undertaken.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	While this is acceptable as a means of independent review, the statements should also be signed by the person undertaking the bank reconciliation process.		
5.4.1 Medium	Section 6 of the Cardholder Manual for Schools document issued by Procurement Services states that: <i>'Each Purchasing Card transaction should be recorded on the transaction log as soon as the transaction is complete to ensure that no information is omitted'</i> . Although a transaction log is maintained, the School Clerk stated that it is only updated as and when time permits.	Details of all Purchase Card transactions should be promptly updated onto the transaction log immediately a purchase is made. The transaction log should then be used to reconcile the bank statements upon receipt.	Implemented
5.4.2 Low	On the occasion the Purchase Card is shared, no formal log is completed. Instead a note is made in the School diary.	On occasions where a member of staff requires use of the Purchase Card, care should be taken to ensure that a formal signing in / out record is used (as this records the times the card is taken and returned together with the signature of the member of staff).	Implemented
5.5.1 Medium	A sample of five paid orders were selected from SIMS for examination. Two of these orders were not raised on SIMS until after receipt of the goods and corresponding invoice, although on each occasion it is likely that a prior request would have been made (465010011 & 4650170014).	Where possible the School should use the purchase card for the purchase of goods and payment of services. On occasions where it is not possible to use the Purchase Card, an official order should be raised on SIMS for all committed expenditure. This should be done as soon as the commitment to expenditure is known.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		This will ensure that the budgetary information on SIMS is as accurate as possible, has been authorised in the correct manner (by the budget holder) and 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.	
5.6.1 Medium	The School Inventory list is currently not up to date.	A full inventory review of the School's assets should be completed immediately. Thereafter, an annual review should be carried out to ensure that the record is accurate and up-to-date. Where changes occur during the year then these need to be updated accordingly.	Implemented

AUDIT NAME: YSGOL GYFUN GARTH OLWG

DATE FINAL REPORT WAS ISSUED: 29/11/2017

INTRODUCTION

Ysgol Gyfun Garth Olwg is a designated Welsh Medium secondary school which provides education for pupils aged 11-18 serving Pontypridd and its surrounding villages.

There are 802 pupils on roll, of which 125 are in the sixth form.

The proportion of pupils entitled to free school meals currently stands at 9.6%

The total budget for the School in financial year 2017/18 is in excess of £4.2m.

Ysgol Gyfun Garth Olwg was last subject to a routine Audit review in October 2013.

Until January 2017, the School was financed under the Private Fund Initiative (PFI).

SCOPE & OBJECTIVES

All financial systems in operation 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 risk assessment, audit testing was carried out on the following areas of administration: Governance; Safeguarding; School Private Fund; School Income; Purchase Card; School Purchasing; and Budgetary Control.

AUDIT OPINION

Overall, the control environment in relation to the School's financial systems and governance arrangements is considered to be effective with opportunity for improvement.

Since the previous Audit review, there have been significant changes within the Finance Office including the retirement of the School Bursar, and in January 2017, the Council completed the purchase of the Private Fund Initiative. This report contains recommendations in respect of financial management of the School, resulting from the purchase of the PFI.

Governance

The roles and responsibilities of the Governing Body and its sub committees have been set out in writing. There are no vacancies on the Governing Body, all sub committees have the requisite number of members and there is an up to date Register of Business Interests.

Since the appointment of the Headteacher in September 2015, the Governing Body has not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets. This report recommends that the Governing Body confirm a scheme of delegation and formally record the financial limits for delegated authority within the School.

Although all statutory policies are in place at the School, there are a number of policies that should be subject to an annual review but these have not been reviewed (some for over 3 years). It was also noted that for all policies that are in place, it was not evident within the Governing Body minutes that all had been presented to the Governing Body for consideration / endorsement.

Safeguarding

A Child Protection Policy is in place at the School and is subject to an annual review. Although it was established that Level 1 training has been provided, testing identified the School are unable to demonstrate that 53 members of staff have received formal training. It was also established that of the 11 members of staff at the School that have undertaken Level 3 Child Protection training, the certificates of attainment for 7 staff could not be evidenced.

Audit testing has confirmed that no staff commenced employment at the School prior to the completion of the required pre-employment checks.

It was established that payments are being made to tutors in respect of modern languages and music tuition. The School did not complete the HMRC employment status check. This report recommends that before the School engages with an entity for the provision of services, the HMRC online tool be used to determine employment status and that the tutors identified are checked immediately.

The School uses the EVOLVE system to record details of off-site visits and in accordance with the document 'Planning and Approval Procedures for Educational visits', residential trips are entered onto the EVOLVE system. However, care should be taken to ensure that all trips / activities (including routine visits) are entered within the correct timescales as this had not been done for the 2 trips examined.

School Income

The School has the potential to generate income in respect of the hiring out of its facilities. At the time of the Audit review, the School were honouring block bookings which had been made when the School site was still under the control of the PFI contractor. With effect from 1st September 2017, it is the intention for the School to review all block bookings and its charging policy.

This report recommends that in conjunction with the revised booking and charging procedures, Management review / update the School Financial Procedures document to define system processes and the individual staff responsibilities within them across all areas of the School's financial administration (taking into account all recommendations made within this report).

School Private Fund

The School Private Fund is in need of improvement; this review has identified that the system currently in place is insufficient.

A School Private Fund Management Committee has been appointed and positions held relate to duties undertaken.

Audit testing identified that staff social events are being processed through the account (although no costs are borne by the fund). Income received and banked could not be reconciled as correct, and deposits made at the bank could not be reconciled to the ledger as there is no central record of daily income in place. Separate records are being maintained for each individual activity and income is not clearly classified in the ledger.

Furthermore, with no central record of income it is not possible to verify that all monies received and banked can be accounted for.

Difficulty was experienced in reconciling the income for both trips examined (Florida and Iceland) and assurance cannot be given that all income received had been recorded correctly. There is also a need to promote ownership and consistency between the teaching staff in respect of the administration of School trips, for example, trip organisers should be reminded to maintain and retain their own records and that on completion of a trip, complete a statement of account.

Purchase Card

There are 4 Purchase Cards at the School and there is a sufficient audit trail in respect of evidence being available that supports expenditure via each card.

However, this review has identified items of expenditure which are considered to be unnecessary / inappropriate and which do not demonstrate value for money within the delegated budget.

Purchasing

Whilst most purchases are made using the Purchase Card, the School still places orders with some companies who will not accept the Card. Where these instances occur, staff place an order either directly with the company on-line or via the telephone. From the sample of orders examined, it was established that no official order is raised on SIMS until the invoice is processed for payment.

This report recommends that, where possible, the School should use the purchase card for the purchasing of goods and payment of services and that on the occasions where it is not possible to use the Purchase Card, an official order is raised on SIMS for all committed expenditure as soon as the commitment to expenditure is known. This will ensure that the budgetary information on SIMS is as accurate as possible.

Budgetary Control

Budgetary Transaction Listings are not routinely provided to budget holders; hence, departmental Budget Monitoring of income and expenditure does not appear to be regularly undertaken. This report recommends that Cost Centre transaction reports be circulated to all Budget Holders on a regular basis e.g. monthly.

The implementation of the recommendations made within this report will enable the Headteacher to enhance the standard of administration at the School.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	Discussions with the Headteacher established that since his appointment to post in September 2015, the Governing Body has not formally confirmed the financial limits of delegated authority for incurring expenditure and amending budgets. It is accepted that financial limits have been determined within the Schools Financial Procedures document; however, the document is dated November 2012 (see also report ref 5.3.1).	The Governing Body should confirm a scheme of delegation and formally record the financial limits for delegated authority within the Governing Body minutes (and ensure that a permanent record of the limits and authorised staff is available at the School).	Implemented
5.1.2 Medium	The Government of Maintained Schools (Wales) 2005 Regulation, Part 7 states that: <i>(2) The minutes of the proceedings must be entered into a book kept for the purpose by the clerk and may be entered on loose-leaf pages consecutively numbered; but in that case the person signing the minutes must initial each page.</i> Signed copies of all minutes are required to be retained at the School.	All minutes should be appropriately signed by the Committee Chair. All loose-leaf minutes should be numbered and initialled on each page by the Chair of Governors and signed and dated on the last page. (English and Welsh version).	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Where the minutes have been drafted by Governor Support a signed copy should also be retained by Governor Support.</p> <p>Of the 49 sets of minutes examined, only 8 sets were appropriately signed.</p> <p>It was also noted that where the Governing Body minutes were in a loose leaf format, the individual pages were not numbered.</p>		
5.1.3 High	<p>Whilst all statutory policies and documents were in place, issues were identified in terms of the frequency of review of some policies and in demonstrating that they were ratified by the Governing Body (i.e. policies were not minuted as ratified).</p>	<p>The Headteacher and Governing Body should ensure that they implement a rolling programme of review of all School policies. This will ensure that all policies are up to date and reflect the current practices at the School.</p> <p>Following the reviews, policies should be presented to the Governing Body for consideration / ratification (and this should be minuted).</p> <p>Details of review should be captured on the document covers i.e. date reviewed, date to be reviewed, signed and dated.</p>	Implemented
5.2.1 High	<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</i></p>	<p>A formal record should be made each time a member of staff at the School undertakes any Safeguarding training. The electronic training record already in place at the School should</p>	31 March 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p><i>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 training was provided to the whole school on 12th February 2016 and for support staff on 21st October 2016, the School were unable to demonstrate that 53 members of staff have received formal training. These included support staff and casual members of staff.</p> <p>Discussions with the School's nominated Child Protection Officer identified that although she and 11 other members of staff have received level 3 Child Protection training, the certificates of attainment for 7 of the 11 staff could not be evidenced.</p>	<p>be updated to demonstrate the date and level of attainment alongside individual staff names. This will allow the assessment of training requirements to coincide with the Safeguarding policy's annual review.</p> <p>In respect of the 53 members of staff identified during the Audit review, as a minimum requirement all should receive level 1 training as soon as possible.</p> <p>It should also be ensured that Certificates be retained at the School for all staff who have undertaken Level 3 training.</p>	
5.2.2 High	<p>Examination of the Bank Account History Report identified that payments are being made to 2 tutors in respect of Modern Languages and Music.</p> <p>No HMRC questionnaire was completed for any tutor (it is noted that the two tutors identified were appointed prior to the introduction of the revised requirements relating to IR35).</p>	<p>Before a School engages with an entity for the provision of services, the HMRC employment status check should be undertaken for all individuals (using the HMRC online tool).</p> <p>This should be undertaken for both tutors immediately, with evidence of each check retained at the School.</p>	Implemented
5.2.3 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 prior to visit'.</p>	<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</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>2 residential / adventurous trips were chosen for examination - neither of the trips were entered onto EVOLVE and authorised in accordance with the required timescales.</p> <ul style="list-style-type: none"> • New York - 8th Feb 2015 - the trip was created on EVOLVE 12.1.15 and was not approved by the Headteacher and authorised on EVOLVE until 19.1.15. • Treharris Climbing - 9th Feb 2017 - the trip was not created on EVOLVE until 18th January and was not approved and authorised on EVOLVE by the Headteacher and Local Authority until 6th February. 	<p>Advisor to give the necessary assurance that the provider and trip arrangements are appropriate.</p>	
<p>5.3.1 High</p>	<p>At the time of the Audit review, all School lettings were being recorded on a spreadsheet by the School Facilities Manager following receipt of an application form, which is a procedure that has been inherited from the PFI Contractor.</p> <p>It was reported during the audit that the School were in the process of reviewing the application process for hirers and the Charging Policy.</p> <p>A review of the Draft Policy has identified that not all of the following was included:</p> <ul style="list-style-type: none"> • All hires should be authorised by the Headteacher. • All hire agreements should be signed by the School, and the hirer. • All bookings should state the date the booking starts, the day and the times required. • Evidence should be obtained for affiliated groups for VAT exemptions. • Evidence of Public Liability Insurance should always be obtained. • The cost of hire on the agreement should correspond to the costs 	<p>The School should update its Draft Policy to reflect the items listed as currently missing. Also, the booking form should be updated to capture all required details for future requests for hire, including, retaining evidence of affiliated groups and insurance details.</p> <p>All forms received should be authorised by the Headteacher or an agreed designated member of staff before the hire commences.</p>	<p>Implemented</p>

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>included within the School's charging policy.</p> <ul style="list-style-type: none"> • Payment terms and conditions should be stated within the hire agreement including an arrears procedure for unpaid invoices. 		
5.3.2 Medium	<p>Money collected in respect of School hires can be held with the School Facilities Manager for up to a month after receipt. Discussions with the School Facilities Manager revealed that typically income is retained with her until the end of each month before being passed to the office for banking.</p>	<p>Income collected by the School Facilities Manager should be passed to the main office for deposit with the bank on a regular basis, i.e. as soon as possible following receipt and as a minimum, weekly.</p>	Implemented
5.3.3 High	<p>The School Facilities Manager raises invoices using SIMS for the income due to the School in respect of School facility hire. Discussions at the School identified that she is also responsible for receipting the subsequent income.</p> <p>Further discussions identified the School are not using the SIMS invoicing facility when issuing requests for other income due.</p> <p>NB. it is noted that it is the intention of the School to use the facility in due course.</p>	<p>The person responsible for raising invoices should not be the same person who is subsequently responsible for matching the income received to the outstanding invoice and receipting the income.</p> <p>The invoicing facility within SIMS should be used for collection of all other income due to the School. This will alleviate the need for manual invoices to be produced and allow income received to be directly matched to the respective invoice.</p> <p>All invoices (including the copy retained at the School) should be authorised by the Headteacher.</p>	Implemented
5.3.4 High	<p>At the time of the Audit visit (June 2017) only 9 deposits had been made with the bank during the current academic year in respect of the School Budget Account. Typically, a deposit with the bank is being</p>	<p>All income received (both cash and cheque) should be banked regularly.</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>undertaken monthly:</p> <ul style="list-style-type: none"> • 23.09.16 - £5,874.61; • 20.10.16 - £3,536.05; • 29.11.16 - £10,386.67; • 13.12.16 - £379.00; • 24.01.17 - £1,356.46; • 01.03.17 - £10,377.8; • 28.03.17 - £14,836.62; • 04.05.17 - £6,392.56; and • 07.06.17 - £1,827.04. 		
5.3.5 Medium	<p>Section C - of the Locally Administered Funds (LAF) guidelines states:- <i>3.14 General Income</i> <i>'Income received should be entered into SIMS without delay to ensure that SIMS is up to date and to ease the bank reconciliation process'.</i></p> <p>9 bankings were made during the sample period, September 2016 - June 2017, and on each occasion there was a significant delay between the receipt of income and up dating SIMS.</p> <p>Most notably, a payment received on 6th September 2016 was not updated onto SIMS until 12th October, and a payment received on the 26th January 2017 was not updated on SIMS until 7th March 2017.</p>	<p>Details of all income received should be updated to SIMS as soon as it is received to ensure that the budgetary information is up to date and accurate.</p>	Implemented
5.4.1 Medium	<p>A staff fund is being administered through the School Private Fund account.</p> <p>It was established that at the beginning of the year a contribution is</p>	<p>Staff social monies should be maintained separately to the School Private Fund as required by the School Private Fund Regulations. Given the volume of transactions and amount of</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	collected from every member of staff, which is banked into the school private fund account to pay for staff function, and gifts for staff to be purchased. It is noted that no costs are incurred by the School Private Fund.	income/expenditure incurred by the fund, alternative arrangements should be sought for processing transactions in respect of the staff social events.	
5.4.2 Low	There are only two cheque signatories for the School Private Fund.	A third cheque signatory for the School Private Fund should be appointed. Once the panel of signatories has been updated, a copy of the bank mandate should be retained at the School for reference purposes.	Implemented
5.4.3 Low	Examination of the School Private Fund bank statements identified that whilst all demonstrate clear evidence of reconciliation, some delays were noted between the date of the bank statement and the date the exercise was undertaken.	Bank statements should be reconciled to the School Private Fund Ledger as soon as possible after receipt. On completion of the exercise, care should be taken to ensure that the bank statements are signed and dated by the person who has undertaken the exercise.	Implemented
5.4.4 High	As at June 2017, in excess of £124k had been received and banked in respect of the School Private Fund since September 2016. Audit testing identified that in this period only 11 deposits had been made with the bank with each deposit not made in line with the Council's Banking Guidelines. • 26.09.16 - £21,364.20;	In accordance with the School Private Fund Regulations, the ledger should provide a meaningful analysis of income and expenditure, with clear details of the classification and type of activity recorded.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<ul style="list-style-type: none"> • 20.10.16 - £11,695.38; • 23.11.16 - £14,311.80; • 29.11.16 - £1,950.10; • 05.12.16 - £6,003.52; • 13.12.16 - £5,393.88; • 10.01.17 - £11,939.40; • 27.01.17 - £11,923.50; • 01.03.17- £10,239.96; • 30.05.17 - £20,070.73; and • 07.06.17 - £9,864.82. <p>Furthermore, for each deposit made, the subsequent update onto the Ledger was not always descriptive i.e. collective banking was not broken down to individual areas of income, and hence the narrative used was 'various'.</p>	<p>This should be updated regularly and reconciled to the bank statements.</p> <p>Deposits with the bank should be made regularly.</p>	
5.4.5 High	<p>Section 9.2C of the School Private Fund Regulations states that: <i>'The trip organiser must maintain a record of all monies received'</i>.</p> <p>The School receptionist is currently responsible for recording details of all income received on individual trip records before passing the income over to the Finance Office for counting, updating onto the Ledger and deposit with the bank.</p> <p>2 trips were examined, Florida (completed) and Iceland (ongoing).</p> <p>Difficulties were experienced in reconciling the income collected and banked for both trips - the following was noted:</p>	<p>Management should review the current practices in place at the School as Internal Audit can not provide assurance that the system is sufficiently robust.</p> <p>It is recommended that a central record of daily income be introduced to record details of all School Private Fund income as and when it is received by the receptionist.</p> <p>This form should be completed as and when the receptionist receives any income, and supported by the signatures of the two</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<ul style="list-style-type: none"> There is no central record of daily income in use, instead, separate receipt books are completed for separate trips / activities. However it was evident that on occasions, income was being recorded in the wrong receipt book. There were delays in updating the ledger and delays in banking, therefore, large sums were being recorded and banked (up to £20k in one instance), and recorded as 'various' on SIMS rather than showing the breakdown (please also refer to 5.4.4). 	<p>persons involved.</p> <p>When income is subsequently banked, the amounts should be totalled and ruled off, and the School Private Fund Ledger be updated on a regular basis (weekly).</p>	
5.4.6 High	<p>Section 9.1 of the School Private Fund Regulations states that: <i>'Any member of staff running a School trip is required to draw up and provide the Treasurer with a statement of account within one month of the conclusion of the trip. This must show details of all the receipts and payments relating to the trip'</i></p> <p>Statement of accounts are not routinely completed at the conclusion of a trip / activity.</p>	<p>Trip organisers should be reminded that upon completion of a trip, a statement of account should be prepared and passed to the Fund Treasurer with all supporting records for retention as per the School Private Fund regulations.</p> <p>An example of the format required is included at Appendix 9 of the School Private Fund Regulations.</p>	Implemented
5.5.1 Medium	<p>Whilst the School has developed a Finance Policy that contains details of how each area of administration should be managed, it lacks sufficient detail of the roles/responsibilities of the individuals presently involved.</p> <p>Since the Policy was reviewed in November 2012, there have been numerous staff changes at the School, including the appointment of a new Headteacher, the retirement of the School Bursar and the purchase of the PFI contract.</p>	<p>The Finance Policy should be enhanced to specify the individual staff / post responsible for the School's financial and administrative tasks.</p> <p>Once completed, the procedures should be presented to the Governing Body for approval and issued to all appropriate members of staff.</p>	28 February 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		NB: Any revision to the Policy should also take into account recommendations reported in this report.	
5.5.2 Medium	A sample of 15 paid orders was selected from SIMS for examination. All 15 orders were raised on SIMS after receipt of the goods and corresponding invoice, despite a prior request being made on each occasion.	Where possible the School should use the purchase card for the purchase of goods and payment of services. On the occasion that it is not possible to use the Purchase Card, an official order should be raised on SIMS for all committed expenditure. This should be done as soon as the 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 there is a hard copy of the items ordered at the school which can be used to check against the subsequent delivery of goods and relevant invoice.	Implemented
5.5.3 Medium	From a sample of 15 cheque payments reviewed it was noted that although a cheque authorisation slip was present for each payment, none had been signed / initialled by any of the cheque signatories to demonstrate that the payment was correct before being issued.	Cheque authorisation slips should be signed by at least one of the cheque signatories to confirm that the details agree to the actual cheque payment.	Implemented
5.6.1 Medium	Discussions at the School established that the Purchase Card is held with 2 of the Cardholders at all times, including evenings, weekends and School holidays.	When not in use, the School Purchase Cards should be held securely at the School.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.6.2 Low	Although a Purchase Card sharing log is in place at the School, the times the card is taken / returned is not always recorded.	A card sharing log should be maintained for each Purchase Card held at the School. On occasions where a member of staff requires the use of one of the Purchase Cards, care should be taken to ensure that the card sharing log is fully completed - including the times the card is taken and returned together with the signature of the member of staff.	Implemented
5.6.3 Medium	Point 6.1 of the Cardholder Manual for Schools states: <i>'Each Purchasing Card transaction should be recorded on your transaction log as soon as the transaction is complete to ensure that no information is omitted.'</i> There are 4 Purchase Cards held at the School. 3 of the 4 cardholders update their own transaction log; however these are being updated on receipt of the Bank Statements and not as and when a purchase is made.	Each Card holder should be responsible for completing his / her own transaction log. In line with the Cardholder manual, the transaction log should be updated as and when a purchase is made, which will enable the transactions listed on the log to be reconciled to the Barclays system.	Implemented
5.6.4 Medium	Examination of the Purchase Card expenditure for the period September 2015 to March 2017 identified instances of expenditure on flowers, amounting to £578.79, that are considered unnecessary / inappropriate. It was also identified that a Garden Centre Voucher to the value of £50 had been purchased (as a thank you) for an ex-governor.	The types of expenditure listed are not considered appropriate to be funded from the School's budget; alternative arrangements to fund such items should be made in future.	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.7.1 Medium	<p>The Senior Finance Officer does not routinely provide budget holders with SIMS Budgetary Transaction Listings.</p> <p>Although there is an electronic departmental Budget Monitoring tool in place at the School, examination of a number of cost centres identified that these are not being updated by budget holders with details of departmental income / expenditure.</p>	<p>The Senior Finance Officer should circulate SIMS Cost Centre transaction reports to all Budget Holders on a regular (i.e. monthly) basis.</p> <p>Furthermore, the School should consider introducing manual Budgetary Control sheets for budget holders to record all instances of income and committed and actual expenditure (instead of the current electronic tool which is considered complex). This can then be compared, along with copy orders/requisitions, to the SIMS transaction reports upon receipt.</p> <p>The reports should be signed and dated by the Budget Holder to demonstrate that a reconciliation has taken place and retained within the departmental budget records for reference.</p> <p>Good practice would be for Budget Holders to notify the Senior Finance Officer once the departmental reconciliation exercise has been completed.</p>	Implemented

COMMUNITY & CHILDREN'S SERVICES

AUDIT NAME: LEISURE, PARKS & BEREAVEMENT SERVICES – INCOME REVIEW

DATE FINAL REPORT WAS ISSUED: 13/12/2017

INTRODUCTION

The Leisure, Parks, Countryside, Registration & Bereavement Service deliver a wide variety of services to the citizens of Rhondda Cynon Taf.. The services delivered range from the large, frontline services of Leisure Centres, Parks and Bereavement Services, through to the specialist areas of Countryside Management, Health and Sport Development, and Registration Services.

SCOPE & OBJECTIVES

The primary purpose of the audit review is to provide management with an opinion on the adequacy and effectiveness of the controls surrounding the income streams within the service, the specific objective of the review was:

- To ensure that the Service has robust controls in place in respect of collecting income in a timely manner.

AUDIT OPINION

Overall the control environment relating to the collection of income across the Service is considered to be effective with opportunity for improvement. The processes in place for collecting income demonstrate that the Service, as a whole, is collecting income in a timely manner.

Parks

All bookings are typically co-ordinated by an administrative officer based in Abercynon Sports Centre, with the support of two other officers based in the Ynys Sports Centre and the Lido.

Examination of a sample of invoices raised established that hire is often invoiced after the event has taken place; this could range from 'one-off hire' to block bookings' for clubs training sessions which could be over several months.

Seasonal Fees (Football / Rugby Clubs)

All football and rugby team bookings are administered by officers based at the Abercynon and Ynys Sports Centres.

Each year, clubs are required to complete and submit a Winter playing fields application highlighting the teams and the fields / pitches they would like for matches and training.

- 28 rugby clubs were examined, all clubs with the exception of 1 had been charged the correct seasonal charges.
- 12 rugby clubs who requested training facilities on their playing fields application forms were all correctly charged for the hire of the facilities.
- 16 clubs who ran league youth teams and 10 clubs which ran 2nd teams had all applied for these teams to play and had paid the correct fees.
- 28 football clubs were examined: where the seasonal fee was due it was correctly charged by invoice and paid. However, invoices for 3 clubs were not raised until January 2017 (x1) and March 2017 (x2).

Grounds Maintenance

39 Service Level Agreements are in place in respect of grounds maintenance services delivered. These relate to 26 Schools, 11 Council departments and 2 external bodies, the total value of anticipated income associated with these services was reported as being in the region of £90,000 per year. Audit testing confirmed that invoices were accurately raised.

Bereavement Services

Cremations and Burials are managed by staff based in Glyntaff and Llwydcoed.

It was established that all cremations and burials examined had been correctly invoiced and payment had been received / appropriately pursued.

All plots which have a headstone / casket / name plate are required to submit a permit and pay the appropriate fees. Physical inspections of 6 cemeteries identified 303 plots that should have applied for a permit and an additional test comparing a report of 93 permits from the BACAS system was undertaken whereby a physical check was undertaken by Internal Audit.

It was established that there was no evidence to support 7 plots applying / paying for a permit.

Services used by 'other' Council Departments (including Schools)

Currently, where Council Services use Leisure Facilities such as hiring a football pitch, income is received following either an external or internal invoice being generated. Wherever a Service Area has a Purchase Card, they should be encouraged to pay for the services either at the point of booking or at the point of arriving at the venue using the purchase card. This would ensure that payment is received promptly but also ensure that the administrative tasks involved in generating and processing internal invoices is removed.

Implementing the recommendations within this report will further improve the overall control environment in place.

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 Medium	<p>Section 7.2A of the Financial Procedure Rules states that:- <i>'All efforts must be made to obtain income in advance of supplying goods or services as this improves the Authority's cash flow and also avoids the time and cost of administering debts'</i></p> <p>For relevant bookings from clubs (i.e. block bookings), it is acknowledged that Leisure Services has previously been granted dispensation to collect income after services have been supplied.</p> <p>However, examination of a sample of sundry debtor invoices raised by the Service during this audit review identified instances of users not paying in advance, where dispensation should not necessarily apply in</p>	<p>All ad hoc hire of sports fields / pitches should be invoiced and paid for prior to the booking taking place (except where an exemption applies).</p> <p>Where prior payment may not be applicable, Management should consider invoicing at intervals throughout the period rather than raising one invoice at the end of the period.</p> <p>If invoices remain unpaid, further bookings / use should not be permitted.</p>	31 July 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	the first instance.		
5.1.2 Medium	<p>Examination of a sample of external and internal invoices raised by the Service established that some had been issued to Schools / Council Departments that have a Purchase Card, as follows:</p> <p><u>External Invoices</u></p> <p>Maesgwyn Special School</p> <ul style="list-style-type: none"> • 15/6/2016 £210 • 8/11/2016 £555.65 • 20/1/2017 £285.25 • 20/1/2017 £239.40 • 3/3/2017 £244.50 <p>YG Rhydywaun</p> <ul style="list-style-type: none"> • 6/1/2017 £18.75 • 22/3/17 £18.75 • 8/11/2016 £37.50 <p>Aberdare Town Church in Wales</p> <ul style="list-style-type: none"> • 4/11/2016 £40.90 <p>St Johns Comprehensive</p> <ul style="list-style-type: none"> • 4/11/16 £124.50 <p><u>Internal Invoices</u></p> <ul style="list-style-type: none"> • 200400 Communities 1st £184.20 • 200627 Services for young people £145.20 • 185727 Public Health & Protection £3,168 • 194972 Early years £240 • 185725 Abercynon depot £124.50 	If any Council related entity has a purchase card, external and/or internal invoices should not be raised. Instead, Council Departments and Schools should be encouraged to make the payment via a Purchase Card.	Ongoing
5.1.3	All external invoices raised are issued and pursued by the Sundry	Leisure centre staff should periodically (for	Implemented &

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
Medium	<p>Debtors team.</p> <p>It was established that the Sundry Debtors team will telephone the officer who raised the external invoice on day 42 warning of non payment if it has not been paid by this time.</p>	<p>example weekly) monitor whether the external invoices they have raised remain unpaid and in the event of non-payment, consideration should be given, in consultation with Management, to cease provision until payment has been received.</p>	ongoing
5.1.4 Medium	<p>External invoices to football and rugby clubs for seasonal charges in 2016/17 were raised by officers physically based at the Ynys or Abercynon leisure centres.</p> <p>Invoices from Abercynon were dated in September 2016, whereas invoices from the Ynys were dated, as follows;-</p> <p>A RFC 4/11/2016. CI FC 2/3/17 paid 3/4/2017. G FC 20/1/17 paid from 14/3/17 (6 instalments) IC FC 2/3/17 paid 27/4/17 U18 girls 23/1/2017 £50 paid 21/3/2017.</p>	<p>All external invoices raised for the Winter season should be promptly and consistently raised at the start of each season by the officers in both the Abercynon and Ynys Leisure centres.</p>	31 March 2018
5.1.5 Medium	<p>All headstones placed on burial or cremation plots require a permit.</p> <p>Testing was undertaken to establish whether headstones had an appropriate permit.</p> <ul style="list-style-type: none"> 7 plots in Trealaw Cemetery had a headstone but no permit. 	<p>Management should review the 7 plots identified and consider what action to take, for example, request each stonemason to apply for a permit / pay the applicable fee.</p>	Implemented

AUDIT NAME: VISION PRODUCTS / COMMUNITY EQUIPMENT SERVICE

DATE FINAL REPORT WAS ISSUED: 22/12/2017

INTRODUCTION

Rhondda Cynon Taf County Borough Council delivers a community equipment service with and on behalf of 5 Partners. The Council's role is to manage and deliver community equipment to clients as required. The service stores, installs, collects, refurbishes and maintains equipment to clients.

Occupational Nurses and Physiotherapists employed by the Partners are responsible for placing the equipment order and for identifying which of the Partners will ultimately be responsible for the cost, based on an accepted formula.

The projected cost of providing the service which includes items delivered, staff salaries, premises and vehicles is £2.4m for 2017/18 and is apportioned using an agreed formula to all Partners.

In addition, the Service is also the appointed contractor to deliver the community equipment service to the 'GWICES' partnership, based in Gwent.

SCOPE & OBJECTIVES

In accordance with the agreed Internal Audit Plan for the financial year 2017/2018 a review of the Community Equipment Service was undertaken.

The specific control objective examined was to:-

- Review the performance of contractual obligations with External Partners.

AUDIT OPINION

Overall the control environment relating to the Service provided to partners is considered to be effective with opportunity for improvement.

Electronic Performance Reports

Monthly reports are being produced for the two partners: RCT and Newport. The following testing / issues were noted for each partner:-

Rhondda Cynon Taf (RCT)

- 41 different areas of service activity were checked to ensure that the correct formula was being used for the figures being reported. The incorrect formula was being applied for 9 of the areas in quarter 1.
- The figures reported for March 2017 for 13 different areas of service activity were compared to the information recorded in Cequip: no issues were noted.

GWICES

- 25 areas of service activity were checked to ensure that the correct formula was being used for the figures being reported. The incorrect formula was being applied for the year to date for 2 of the areas.
- 25 reported figures from January, February and March 2017 for 17 different areas of service activity were compared to Cequip: issues noted with 2 of the areas.

Operational

1. Urgent Deliveries

All new equipment orders categorised as 'urgent' should be delivered within 24 hours. Examination of a sample of orders identified that not all orders fall within this timeframe, the reasons included:-

- The orders may not be treated as urgent if full details are not provided by the requesting Officer (an Occupational Therapist for example).
- The order may be complex and / or require more than one engineer.
- Equipment may have to be ordered from a supplier.

2. Collections of Equipment

Examination of the Cequip system established that equipment is not always promptly collected from client's homes. Currently in RCT no collection date has been agreed for the collection of 308 items of equipment.

3. Maintenance

All hoists and bath lifts should periodically be inspected / serviced to ensure they are safe to use. Outstanding planned maintenance is formally reported to management - at the end of September 2017 the backlogs were:-

	Bathlifts	Hoists
Rhondda Cynon Taf	178	64
Newport	310	162

4. Repairs

All emergency repairs should normally be undertaken within 24 hours of being reported. Testing of repairs not completed within 24 hours identified that 50% were completed in over 7 days.

5. House Visits

A total of 32 staff are employed across both RCT and Newport. All apart from 1 driver had been DBS checked.

6. Vehicles

Part 48 of the Section 33 agreement states that vehicles should be washed / floors moped and dirty equipment should be physically separated from clean equipment to avoid contamination. Management stated that these tasks typically take place; however there is no evidence to support it taking place.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<p>In order to monitor the performance of the service, monthly performance reports are prepared and presented to the individual boards of RCT and GWICES.</p> <p>The Excel reports are populated using data obtained from the Cequip system.</p> <p>This review has identified 11 errors in the formulae used from a sample of 66. The errors both under and overestimated performance.</p>	<p>Care should be taken to ensure that all management information is correctly produced from Cequip and reported.</p> <p>Management should ensure that all figures from Cequip are accurately recorded on the spreadsheets and that spreadsheets contain accurate formula.</p>	Implemented.
5.2.1 Medium	<p>All new equipment orders categorised as 'urgent' should be delivered within 24 hours.</p> <p><u>RCT</u> From a sample of 8 urgent orders not completed within 24 hours the following was noted:-</p> <ul style="list-style-type: none"> • 3 orders categorised in Cequip as being urgent were treated as 'normal' as no reason was given by the requesting officer (i.e. the Occupational Therapist) to justify it being urgent. • 4 orders took up to 11 days to deliver the equipment to client's houses after being received into stock and there were no mitigating circumstances to support the delay on Cequip. • 1 order was complex and required an engineer to physically fit the equipment. It is acknowledged that this is an inevitable delay. <p><u>GWICES</u></p> <ul style="list-style-type: none"> • A driver physically went to a property to make a delivery without realising it was a two person job - the equipment was delivered 7 days later. 	<p>Occupational Therapists should be reminded that an appropriate reason needs provided with all urgent orders they place to ensure the equipment order is correctly processed by the service.</p> <p>Upon the receipt of equipment which has been ordered, delivery should be accurately and promptly made. Where effort has been made to contact the client to arrange delivery, these should be recorded on Cequip.</p> <p>Where urgent deliveries / installations cannot be achieved within 24 hours, then management should consider reporting these 'urgent' deliveries separately.</p> <p>Job cards / paperwork should make it clear</p>	Implemented.

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
		when more than one operative is required to make a delivery / installation.	
5.2.2 Medium	<p>The service receives daily requests to remove equipment from client's homes.</p> <p>In RCT, it was established that as at the 8th December 2017, there were 561 items awaiting collection, of which:</p> <ul style="list-style-type: none"> • Collection dates had been agreed for 253. • 196 had no collection date arranged (the longest of which has been outstanding from 8/5/2017). • 112 relate to requests from customers received in December. 	<p>Management should ensure that all equipment requested to be collected is promptly retrieved.</p> <p>If unable to promptly collect equipment, Management should review all items and decide on what basis, for example, value, are to be prioritised for collection.</p>	Ongoing
5.2.3 High	<p>The Section 33 agreement states that all emergency repairs should normally be undertaken within 24 hours of being reported.</p> <p><u>RCT</u> A sample of 12 completed repairs that took longer than 24 hours identified:-</p> <ul style="list-style-type: none"> • There was no paperwork / audit trail to support when 6 repairs took place and what the reasons for delay were. • 6 repairs took over 7 days to complete, 3 of which were over 23 days. 	<p>The service should ensure that all emergency repairs are undertaken in-line with the Section 33 agreement.</p> <p>If repairs are not undertaken in line with the agreement, the reason for the delay should be fully recorded on Cequip.</p> <p>Evidence should be retained to support all repairs and Cequip should be promptly updated when repairs take place.</p>	Implemented.
5.2.4 High	<p>All hoists and bath lifts should periodically be inspected / serviced (typically on an annual basis) to ensure they are safe to use.</p> <p>All outstanding planned maintenance is formally reported to each</p>	<p>Management should ensure that all inspections / servicing of applicable equipment is undertaken in line with recommended guidelines.</p>	Ongoing

SUMMARY OF RECOMMENDATIONS:																								
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE																					
	<p>board.</p> <p>As at the 30th March 2017, the backlogs were considered significant by management and they deployed resources in order to reduce the numbers:</p> <table border="1"> <thead> <tr> <th></th> <th>31/03/2017</th> <th>30/09/2017</th> </tr> </thead> <tbody> <tr> <td colspan="3">RCT</td> </tr> <tr> <td>Bathlifts</td> <td>914</td> <td>178</td> </tr> <tr> <td>Hoists</td> <td>147</td> <td>64</td> </tr> <tr> <td colspan="3">GWICES</td> </tr> <tr> <td>Bathlifts</td> <td>1177</td> <td>310</td> </tr> <tr> <td>Hoists</td> <td>229</td> <td>162</td> </tr> </tbody> </table>		31/03/2017	30/09/2017	RCT			Bathlifts	914	178	Hoists	147	64	GWICES			Bathlifts	1177	310	Hoists	229	162	<p>Management should continue to reduce the backlog of all outstanding inspections / services.</p>	
	31/03/2017	30/09/2017																						
RCT																								
Bathlifts	914	178																						
Hoists	147	64																						
GWICES																								
Bathlifts	1177	310																						
Hoists	229	162																						
5.2.5 Medium	<p>Employees including delivery drivers, repairmen and drivers mates are required to enter client's properties to deliver / repair equipment.</p> <p>Testing of all employees in RCT and GWICES established that 1 had not been subject to a DBS check.</p>	<p>The employee highlighted should be DBS checked immediately.</p> <p>Thereafter, management should ensure that all employees who may enter client's properties have been subject to a DBS check prior to commencing these duties.</p>	Implemented.																					
5.2.6 Low	<p>Part 48 of the Section 33 agreement states that vehicles should be washed / floors moped and dirty equipment should being physical separated from clean equipment.</p>	<p>The service should ensure they comply with part 48 of the Section 33 agreement and retain evidence to support the action taken.</p>	Implemented.																					

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	It was established that the service may complete these tasks; however there is no evidence to support what / when it took place.		

CORPORATE & FRONTLINE SERVICES

AUDIT NAME: DISASTER RECOVERY

DATE FINAL REPORT WAS ISSUED: 18/12/2017

INTRODUCTION

The Council is heavily reliant on its I.T. infrastructure in order to deliver its business. Maintenance of this infrastructure is critical to the Council's ability to function and in the event of a 'disaster' the ability to promptly and comprehensively reinstate systems is critical.

A 'disaster' - in this context - can be defined as a major incident, which affects the Council's ability to carry on business as usual. It could be the failure of an I.T. system or an interruption in power supply. Should an interruption materialise, an appropriate recovery strategy is required.

The overall responsibility for the Council's Disaster Recovery planning lies within the I.T. Service.

SCOPE & OBJECTIVES

The primary purpose of the review was to provide management with an opinion on the adequacy and effectiveness of the internal control system in relation to disaster recovery.

This report should provide management with an opportunity to assess the administration of the service, and where appropriate, enhance existing control procedures through the implementation of the recommendations.

Particular emphasis was placed on the following objectives:

- The Council has a formal Disaster Recovery Framework that is 'fit for purpose'.
- It can be demonstrated that back-up and recovery plans are in place, are monitored and tested.
- System risks are clearly identified and the recovery plans have been appropriately endorsed by System Managers.

AUDIT OPINION

Overall the control environment in respect of the Council's Disaster Recovery arrangements is considered to be effective with opportunity for improvement.

Rhondda Cynon Taf's Data Centre is constantly being replicated (backed-up) to a mirrored site at Bridgend County Borough Council and in the event of a major interruption this would be the main source from which data would be recovered. Back-ups are also undertaken by I.T staff and these are held off site every evening (these tapes are intended to be used to re-instate minor interruptions, corrupted files for example). Additionally, there is a Service Level Agreement in place with Bridgend County Borough Council whereby both Councils have agreed to provide a disaster recovery warm standby service at each Council's hosting site, enabling agreed client systems and applications to continue effectively to an agreed plan should a major interruption occur.

There is also an agreement in place with a third party provider, Adam Continuity, that provides a service for the replacement of physical equipment (that is not included as part of the Bridgend Council service).

Whilst the technical arrangements in place for securing back-ups is considered to be effective (and therefore manages the risk of data loss), this review has

identified that the documented arrangements in respect network reinstatement require updating and improvement:

- There are two Disaster Recovery Plans (DRP's) in place - a Disaster Recovery Technical Plan and a Virtualisation Environment Disaster Recovery Technical Plan. Both DRP's are very similar, with different types of hardware/software environments documented within each. Management should consider creating just one plan, with any differences between the Technical and Virtual Plans clearly defined.
- The current DRP's are reviewed at least annually but only by the I.T Service, no other Services Areas are routinely consulted.
 - The selection and prioritisation of business critical systems has not been subjected to annual sign-off from the current members of the Council's Senior Leadership Team and other Directors. As a consequence, it cannot be demonstrated that each Director has an understanding and has accepted the speed and sequence of re-instatement of key systems across the Council as a whole.
- Scheduled testing for recovering computer systems/applications had not been updated within the Disaster Recovery Plan at the time of the audit review. Testing is considered key to placing reliance on the DRP's (Virtual and non-virtual).
- Copies of the recovery plans and key documents are not consistently being retained off-site at the 'safe locations' as identified within the DRP's.

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

SUMMARY OF RECOMMENDATIONS:

REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
5.1.1 High	<p>A Disaster Recovery Technical Plan and a Virtualisation Environment Disaster Recovery Technical Plan have been formulated. Both Disaster Recovery Plans (DRP's) are very similar, with just different types of hardware/software environments documented within each. To facilitate the DRP's, an assessment of critical systems within the Council should have been carried out and used to create the DRP's, prioritising the systems that are critical for the delivery of each Directorate's services.</p> <p>Discussions with the IT Service Infrastructure Manager established that the DRP's were last updated on the 30th January 2017, and this is done annually.</p> <p>However, it was established that whilst the DRP's are updated annually, they have not been formally agreed and signed off at SLT/Director level for at least 5 years.</p>	<p>The Disaster Recovery Technical Plan and the Virtualisation Environment Disaster Recovery Technical Plan need to be formally reviewed to ensure all current systems, applications and systems are included. These should then be formally agreed at SLT/Director level on an annual basis. Management should also ensure that all information within the DRP's is accurate, consistent and ensure this is kept up to date.</p> <p>As part of the annual review, each Service Manager should be contacted to identify business critical systems, with these prioritised and then agreed within the DRP's at SLT/Director level.</p>	30 June 2018

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>Additionally, whilst individual business system owners would have put forward business cases to prioritise the restore of their own systems, and whilst a priority list for restoration has been included within the DRP's by IT, the priority listing has not been updated for a number of years and hence the order of priority would not have been formally reviewed or agreed by SLT/Directors.</p> <p>Additionally, examination of the current DRP's established the following issues that need to be considered:</p> <ul style="list-style-type: none"> • Some Job Titles of key staff are not accurate; • The identified protected sites are not up-to-date; • The 'Software Asset' List within the DRP's is not fully completed; • There is a 'Critical Physical Server List' and a 'Critical Business Functions (Physical Servers)' list within the DRP's which should both list the priority each system is to be recovered and reconcile - however they do not. 		
5.1.2 High	<p>Rehearsals for Disaster Recovery have not been routinely scheduled.</p> <p>It is acknowledged that the most test recent exercise undertaken via Bridgend was approximately 18 months ago. No issues were noted and data was retrieved successfully.</p>	<p>Management should establish a timetable of dates for testing Disaster Recovery and these dates should be included within the DRP's.</p> <p>An assessment of points for improvement / areas of assurance should be recorded with all details included with the DRP, including how long each system would take to recover.</p>	31 March 2018
5.1.3 High	<p>The IT Service Infrastructure Manager confirmed that system back-ups are undertaken daily, and the back-up tapes are rotated daily between 3 sites. As part of this process, the back-ups are to be signed in and</p>	<p>Management should ensure that the relevant locations have copies of the latest DRP's available, and that consistent processes and</p>	Implemented

SUMMARY OF RECOMMENDATIONS:			
REPORT REF. & PRIORITY	FINDING	RECOMMENDATION	IMPLEMENTATION DATE
	<p>out at each location on a log. Also, physical copies of the DRP's and user manuals to help restore each system/application are to be held at two sites (in addition to the electronic copies held on IT drives).</p> <p>However, on visiting the two relevant locations, it was established that neither location had copies of the DRP's and copies of the user manuals for individual systems were not held at one location.</p> <p>Additionally, there was no signing in/out log held at one location for when back-up tapes are updated/removed between each location.</p>	<p>documentation are implemented for each location.</p>	
<p>5.1.4 Medium</p>	<p>As part of the Disaster Recovery Plan and processes, there is a diesel generator in Bronwydd that would provide power to the site for up to 8 hours. The contract for maintaining the generator is managed by IT and Corporate Estates, who state that the generator is started once a week by the caretaker and tested/serviced 6 times a year by the contractor (the 6 services per annum are split into 3 x 2 monthly, 2 x 4 monthly and 1 x Annual).</p> <p>However, the caretaker confirmed he only tests the generator every 3 weeks, with these tests confirmed on a manual log.</p> <p>Additionally, the engineers from the external contractor have used their own manual log since April 2017 (that is kept next to the generator). However, it has not been completed since April 2017. Prior to April 2017, they used to complete the caretaker's log but have ceased doing so.</p>	<p>Management should ensure that sufficient testing/servicing takes place and that all of these activities are recorded appropriately.</p>	<p>Implemented</p>