

Fulford School

City of York Council

Internal Audit Report 2016/17

Business Unit: Children's Services, Education & Skills
Headteacher: Ms L Savage
Date Issued: 6 July 2017
Status: Final
Reference: 15692/002

	P1	P2	P3
Actions	0	0	4
Overall Audit Opinion	High Assurance		

Summary and Overall Conclusions

Introduction

This audit was carried out on 20th and 21st March 2017 as part of the Internal Audit plan for Children, Education and Communities for 2016/17. Schools are audited in accordance with a detailed risk assessment.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to Governors, the Headteacher and management that procedures and controls in the areas listed below are working adequately and are well controlled. The audit covered the following areas in accordance with the specification issued:

- | | |
|---|--|
| • Governance and Financial Management | • School Meals |
| • System Reconciliation | • Pupil Numbers |
| • Banking Arrangements | • School Fund |
| • Contracts, Purchasing and Authorisation | • Data Protection and Information technology |
| • Income | • Insurance and Risk Management |
| • Capital and Property | • Joint Use Facilities |
| • Extended Schools Provision | • Inventories |
| • Human Resources | • Safeguarding |
| • Payroll and Staff Costs | |

Key Findings

Most processes reviewed within the school were operating well. Recommendations for improvement have been made for benchmarking reporting, lettings, disposals of inventory and recording of minibuss journeys are set out below.

In addition, the school has an action plan in place to address some issues with information governance, and advice has been given regarding the recording of tender openings and presentation of the contract register to Governors.

Overall Conclusions

It was found that the arrangements for managing risk were very good. An effective control environment appears to be in operation. Our overall opinion of the controls within the system at the time of the audit was that they provided High Assurance.

1 Benchmarking

Issue/Control Weakness

Benchmarking is not presented to Governors

Risk

Governors may not be made aware of issues and actions being undertaken to address them

Findings

The school undertakes informal benchmarking; however this is not reported to Governors. Reporting the benchmarking to Governors would give governors assurance that expenditure being incurred by the school is reasonable, and highlight to them areas in need of explanation or action.

Recommendation

The school should present the results of benchmarking to Governing Body meetings

Agreed Action 1.1

Benchmarking information has been retrieved, and as suggested, reviewed by the Head and SBM. It was not felt necessary at the time to share this with governors but this will be done at the next governors meeting in Autumn 2017.

Priority

3

Responsible Officer

Sam Bradford

Timescale

December 2017

2 Lettings

Issue/Control Weakness	Risk
Lettings charges are not always raised in a timely manner	The school may not recover all income due

Findings

A sample was taken from lettings diaries for November 16 for the school and for the Sports Hall.

For Sports Hall - in the case of three lettings charges for November had not yet been raised (these were charged the day after the audit) These were Yorkshire Pathways Indoor Cricket, Sambarca Football School, University of York Volleyball.

The charging procedure was queried with the Fulford School Community Sports Manager she agreed that these charges should have been raised sooner but stated that they are shortly introducing a new system which will either invoice in advance or within a set period. This should hopefully become automated and alleviate any issues.

Recommendation

The school should also ensure that the process for managing bookings includes prompt charging.

Agreed Action 2.1

The School will ensure that charges are made in a timely manner for the Sports Hall in future periods.

Priority	3
Responsible Officer	Sam Bradford
Timescale	October 2017

3 Inventories

Issue/Control Weakness

Inventory disposals are not documented

Risk

Items may not be correctly disposed of or issues identified

Findings

Several inventories show items that have been disposed of or are 'location unknown', however the information is not recorded with the inventory to show that these items have been approved for disposal or that lost items have been investigated for theft.

Recommendation

For all disposals a record should be kept on file of the disposal with appropriate authorisation. Once an item has been recorded as disposed off it should be removed from the inventory. Where an item is lost a note should be kept of any investigation into locating the item – this could be on the disposal notice if the item is ultimately not found.

Agreed Action 3.1

Accepted – this will be done in future.

Review of these items has not indicated that there are any high value or high risk items that cannot be located. (i.e. the majority of items are TV's that are over 10 years old).

Priority

3

Responsible Officer

Sam Bradford

Timescale

October 2017

4 Minibus

Issue/Control Weakness

The log of journeys is incomplete

Risk

Inappropriate vehicle usage may not be identified

Findings

The school maintain a log of journeys undertaken with start and end mileage. There were however some gaps in the mileage log. While these were mainly short journeys which are most likely for trips to get petrol all journeys should be logged

Recommendation

All journeys taken should be recorded on the log to ensure that there is no missing mileage on the log

Agreed Action 4.1

Accepted – this will be done in future. The Site team will be e-mailed to ensure that they complete the log when refuelling or taking the bus for repair/maintenance etc.

Priority

3

Responsible Officer

Sam Bradford

Timescale

May 2017

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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