

Rufforth Primary School
City of York Council
Internal Audit Report 2014/15

Business Unit: Primary Schools,
Headteacher: J Rourke
Date Issued: 23/09/15
Status: Final
Reference: 15636/002

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

Summary and Overall Conclusions

Introduction

This audit was carried out on Wednesday 4th March and Thursday 5th March 2015 as part of the Internal Audit plan for Education, Skills and Children's Services for 2014/15.

Objectives and Scope of the Audit

The purpose of this audit was to provide advice to the Governors, Head Teacher and the Authority's Section 151 Officer about the financial management procedures and assurance that internal controls of the school were operating effectively to manage key risks, both financial and otherwise.

The audit covered the following areas in accordance with the specification issued on 27th January 2015:

- Governance;
- Financial Management;
- System Reconciliation;
- Petty Cash
- Contracts – Ordering, Purchasing and Authorisation;
- Income;
- Capital and Property;
- Additional School Activity Provision;
- Human Resources;
- Payroll;
- School Meals;
- Pupil Numbers;
- Voluntary Funds Monitoring Arrangements;
- Data Protection and Information Technology;
- Insurance and Risk Management;
- Joint Use Facilities;
- Inventory Records;
- Early Years
- Security; and
- Safeguarding Arrangements.

Key Findings

The key findings in the audit relate to maintenance of the Register of Interests for Governors and staff, evidencing the adequacy of insurance cover for contractors delivering services and other users of the school xxxxxxxxxxxxxxxxxxxx.

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 Register of Interests

Issue/Control Weakness

The register of business interests for governors did not record sufficient detail. Additionally, there was no evidence that the staff register of interests had been updated.

Risk

The school may be unable to fully account for purchasing decisions in the event of challenge.

Findings

The register of business interests for the governors was reviewed. For the majority of declarations the name of the company in which the governor had an interest (direct or indirect) was not clearly recorded. It was also noted that declarations of interests for staff with financial responsibilities was not up to date. Governors and staff with financial responsibilities may be in a position to influence the placing of contracts in which they have a personal interest and must therefore ensure that all significant interests are declared.

Recommendation

A signed declaration of business interests which clearly identifies the name of the company in which the governor has an interest should be in place for all governors. This register and the register maintained for staff with financial responsibilities should be renewed on an annual basis (or as interests arise).

Agreed Action 1.1

Although the Interest forms were those provided by the Governance Service it has been agreed to insert an additional line to state the post held. The Staff declaration of interests will be updated immediately.

Priority

3

Responsible Officer

School Business Manager

Timescale

31 May 2015

2 Insurance

Issue/Control Weakness

There is insufficient evidence to confirm that all groups using the school and contractors commissioned directly by the school hold adequate public liability insurance.

Risk

Costs may be incurred by the school in the event of a claim.

Findings

A review of contractors used by the school highlighted that evidence of adequate insurance cover is not up to date in all cases. Additionally, some groups using the community hall did not have evidence of adequate public liability insurance on file for the period of the letting. One user (Pilates) had only £2m cover.

Recommendation

The insurance certificates for contractors providing services at the school and for regular lettings should be reviewed to ensure they are up to date and provide the correct level of cover (at least £5 million for public liability).
If a group or individual hiring the community hall does not have their own public liability insurance, eg in the case of hire by a parent for a birthday party, a percentage additional charge can be added to the invoice to cover insurance through the Council. This must be notified to the Council's insurance section who will confirm the amount of additional charge to be applied.

Agreed Action 2.1

All companies are requested to provide evidence that they have adequate insurance in place and this is obtained before any work is commissioned. Copies of Insurance certificates held at the school will be kept up to date.

Priority

3

Responsible Officer

School Business
Manager

Timescale

31 May 2015

3 Publication Scheme

Issue/Control Weakness

The Publication Scheme adopted by the school is not the Information Commissioners Model Scheme and associated Guide to Information.

Risk

The school may not be complying fully with the requirements under the Data Protection Act (DPA), Environmental Regulations (EIR) and Freedom of Information Act (FOIA) and statutory requirements may be breached.

Findings

The Information Commissioner has published a Model Publication Scheme which should be adopted unedited alongside the guide to information. The Publication Scheme adopted by the school is not in the required format.

Recommendation

The Information Commissioners Model Publication Scheme for Schools including the template guide to information can be obtained from the ICO website via the following link [Publication Scheme](#). The scheme should be adopted in full, unedited and promoted alongside the guide to information. The approved Publication Scheme and guide to information schedule should be made available to parents eg published on the schools website.

Agreed Action 3.1

An updated version of the Publication Scheme was taken to the Governors for ratification at their meeting on 17th June.

Priority

3

Responsible Officer

School Business Manager

Timescale

30 June 2015

4 xxxxxxxxxxxxxxxxxxxxxx

Issue/Control Weakness

xxxxxxxxxxxxxxxxxxxxxx.

Risk

xxxxxxxxxxxxxx.

Findings

xxxxxxx.

Recommendation

xxxxxxxxxxx.

Agreed Action 4.1

xxxxxxxxxxxxxxxxxxxxxx.

Priority

3

Responsible Officer

Headteacher

Timescale

31 December 2015

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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