

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

19TH NOVEMBER 2015

REPORT OF THE CORPORATE DIRECTOR RESOURCES

SCHOOLS SUMMARY REPORT 2014/15

1. Purpose of Report.

- 1.1 To present to Members a copy of the report issued to the Corporate Director Children, summarising the findings made by Internal Audit in relation to the school based audits conducted in the 2014/15 audit year.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 Internal Audit's work impacts on all of the Corporate Improvement Objectives /other Corporate Priorities.

3. Background.

- 3.1 On an annual basis, the Internal Audit Section visits a proportion of the Authority's Primary, Secondary and Special Schools in order to carry out a pre-determined programme of work, with a view to giving the school, their Governing Body and the Authority assurance that controls are operating effectively. The visits are determined by a risk assessment which considers if schools have had previous limited or no assurance in controlling risks, schools with recent changes in key personnel such as Head Teachers or Clerks or any other concerns brought to Internal Audit's attention. If schools are not visited during the year they are issued with a control risk self-assessment questionnaire (CRSA) which enables the Head Teacher to review the controls and ensure they comply with the requirements of the Financial Scheme for Schools. The CRSA also provides a tool for Internal Audit to evaluate the controls that are in place at the school.

4. Current situation / proposal.

- 4.1 In 2014/15 over £90 million was delegated to the Authority's Secondary, Primary and Special Schools.
- 4.2 During 2014/15 a total of 12 audit visits were conducted, 10 were planned visits whilst one was a follow up where the previous visit identified control weaknesses and the other visit was undertaken at the request of the Corporate Director and Section 151 Officer. The report presented in **Appendix A** provides Members with details of the key findings made during these audit visits.
- 4.3 In summary 10 of the schools visited were graded as providing substantial or reasonable assurance (83%) whilst two were graded as limited assurance. One of these schools was visited again and the audit opinion was increased to substantial whilst the other is due a follow up visit in the new few months.

- 4.4 Any recommendations relating to Internal Audit's findings will have been presented in a report directly to the school and Governing Body concerned.
- 4.5 In order to ensure that audit days available are used in the most effective way, changes will be made to the school audit programme for 2015/16 which will allow for more in depth coverage of high risk areas. Therefore a CRSA will be issued to all schools annually which will enable schools to self-evaluate the controls they have in place to mitigate risk. The completed CRSA will be evaluated by Internal Audit and any issues will be addressed with the school. In addition a Head Teacher Assurance Statement will be required which will provide assurance that the Head Teacher is ensuring that the school has sufficient internal controls. A similar statement will also be sent to the Chair of Governors. The planned audit days for schools will then be used to undertake reviews of particular areas across schools such as safeguarding or procurement, or it will allow more in depth reviews at individual schools based on a robust risk assessment which takes into account senior management requirements.
- 5. Effect upon Policy Framework & Procedure Rules.**
- 5.1 There is no effect upon the policy framework and procedure rules.
- 6. Equality Impact Assessment**
- 6.1 There are no equality issues.
- 7. Financial Implications.**
- 7.1 Effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests.
- 8. Recommendation.**
- 8.1 That the Committee gives due consideration to the Internal Audit annual report on schools to ensure that all aspects of their core functions are being adequately reported.

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Background documents: None