St Oswald's CE Primary School

City of York Council

Internal Audit Report 2016/17

Business Unit: Children's Services, Education & Skills
Date Issued: 24 July 2017
Status: Final
Reference: 15691/006

	P1	P2	P3
Actions	**0**	**0**	**2**
Overall Audit Opinion	High Assurance		

Summary and Overall Conclusions

Introduction

This audit was carried out on 7th and 8th November 2016 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 on 15th July 2016:

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

Key Findings

Systems at the school are operating well in all the areas reviewed. It was found that there is no documented independent check of the inventory undertaken on an annual basis. In addition, following on from the themed audit of Information Governance across York schools undertaken in 2015-16 it is recommended that procedures for dealing with breaches of data protection are put in place and notified to staff.

It was noted that there was low attendance at some Governing body meetings such as the finance committee, which can make the Governing body's role, including overseeing the financial performance of the school more difficult.

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 Data Breach Policy

Issue/Control Weakness	Risk
The school do not have formally documented procedure for staff to follow should a data breach occur.	A data breach may not be identified by the school and handled appropriately.

Findings

The school do not have a formally documented procedure or policy for staff to follow should a data breach occur. This could lead to staff not identifying and handling breaches of information security in the most appropriate way.

Recommendation

A procedure for management of data breaches should be in place and notified to staff. This may be part of a data breach policy and could be included in the staff handbook.

Agreed Action 1.1

Agreed

Priority	3
Responsible Officer	Head
Timescale	30th Sept 2017

2 Inventory

Issue/Control Weakness	Risk
There is no signed record of an annual check of the inventory retained by the school.	Items which have been lost or misappropriated may not be identified and investigated and insurance claims may be affected.

Findings

The school maintain an inventory on an electronic inventory spreadsheet, which showed evidence of being kept up to date. However the school do not print off a copy on an annual basis and have a member of staff independent from the maintenance of the record complete a review.

Recommendation

The inventory check completed by an officer independent of maintaining the inventory record should be evidenced by retaining a paper or PDF copy of the verified inventory, recording the officer completing the check and the date the check was completed. If this is not a full check (eg a targeted check towards the most vulnerable items, higher value items or particular equipment) it should be clear from this record which items have been checked.

Agreed Action 2.1

Agreed

Priority	3
Responsible Officer	Head
Timescale	30 Sept 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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