

Final Internal Audit Report

Howard Primary School

July 2022

Distribution: Head Teacher
Chair of Governors
School Office Manager
Director of Education
Finance Manager
Corporate Director, Children, Families and Education Interim
(Final only)
Corporate Director of Resources and S151 Officer

Assurance Level	Recommendations Made	
Substantial Assurance	Priority 1	0
	Priority 2	1
	Priority 3	1

Confidentiality and Disclosure Clause

This report ("Report") was prepared by Mazars LLP at the request of the London Borough of Croydon, and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently, no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

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Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

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1. Introduction

- 1.1 Howard Primary School has 399 pupils attending (as per the March 2022 Board of Governors' figures). The School has an expenditure budget of £2,552,895 for 2021/22.
- 1.2 The fieldwork for this review was completed remotely in response to COVID-19. While our review and testing were performed remotely, we have been able to obtain all relevant documents required to complete the review.
- 1.3 The audit was undertaken based on a risk assessment as part of the agreed Internal Audit Plan for 2021/22. The objectives, approach and scope are contained in the Audit Terms of Reference in Appendix 1.

2. Key Issues

Priority 2 Recommendation

The School submitted a complete Health and Safety questionnaire. This identified some gaps in the Schools compliance with Health and Safety requirements, relating to the lack of a glazing risk assessment, an inspection testing regime for work equipment not being in place and having the pressure systems serviced. **(Recommendation 1)**

A Priority 3 recommendation is included under item 4 below.

Acknowledgement

We would like to thank the following members of staff for their time and contribution to this audit:

- Head Teacher;
- School Office Manager, and
- Finance Manager.

3. Actions and Key Findings/Rationale

Priority	Recommendation 1	Detailed Finding/Rationale		
2	The checklist of the various responsibilities and duties under current health and safety legislation should be reviewed by the School with any identified gaps addressed as soon as possible.	<p>The 'Workplace (Health, Safety and Welfare) Regulations 1992' state that there must be a glazing risk assessment undertaken to assess every glaze to establish whether there is a risk of anyone being hurt if people (or objects) come into contact with it, or if it breaks. The 'Provision and Use of Work Equipment Regulations 1998' require the school's management to ensure that maintenance, inspection, examination and testing of 'work equipment' is undertaken on all the 'work equipment' used in the school. The 'Pressure Systems Safety Regulations 2000' require schools to have a regular planned statutory examination of pressure systems.</p> <p>The School had submitted a completed Health and Safety Questionnaire. The following issues were identified:</p> <ul style="list-style-type: none"> - The School had never been advised by the Council to complete a glazing risk assessment; hence this has never been performed; - There was no inspection testing regime of work equipment in place; and - The School had never had its pressure systems serviced, though the School has sought advice on this matter from its insurers called Zurich. <p>Where gaps in the checklist of various responsibilities and duties under current health and safety legislation are not addressed in a timely manner, there is a risk that harm could come to children and staff when present in school premises.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>We welcome this report and its recommendations.</p> <p>The Office Manager will seek advice from the School Compliance Monitoring Officer and the Head of Early Years at the LA regarding the</p>		Agreed	Office Manager	6 September 2022

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correct frequency of the required glazing risk assessment and ensure it is completed as per their advice.

Office Manager will also ensure the required inspection testing regime is in place and that the pressure systems are serviced.

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4. Priority 3 Recommendation

Recommendation	Findings
<p>1) Information Governance</p> <p>The School's Data Protection Policy, which was last reviewed in July 2018, should be reviewed in line with the Policy's timescales defined in Section 18 to reflect any updates in GDPR policy, roles and responsibility changes at the school and guidance for staff.</p> <p><u>School's Response:</u></p> <p>We welcome this recommendation and have drafted an up to date policy which is ready to be signed off at our next Full Governing Body Meeting (September 2022).</p>	<p>In order to comply with the Data Protection Act (DPA) 2018, UK General Data Protection Regulations (UK GDPR) and help ensure the protection of personal data, appropriate information governance arrangements should be in place.</p> <p>Internal audit confirmed that the School's Data Protection Policy was last reviewed in July 2018. This policy was due to be reviewed again in September 2020, as per section 18 ('Monitoring Arrangements'), however, this review did not take place.</p> <p>Internal Audit were informed by the School's Office Manager that an external Data Protection Officer (DPO) is currently reviewing the policies.</p>

AUDIT TERMS OF REFERENCE

Howard Primary School – 2021/22

1. INTRODUCTION & BACKGROUND

- 1.1 This audit was undertaken as part of the Internal Audit Plan for 2021/22, as agreed by the Council's Audit Committee.

2. AUDIT OBJECTIVES AND METHODOLOGY

- 2.1 To provide an independent and objective opinion on the degree to which the Council's internal control environment supports and promotes the achievement of the Council's objectives. The internal control environment comprises the policies, procedures and operations in place to:

- establish, and monitor the achievement of the service's objectives;
- identify, assess and manage the risks to achieving the services objectives;
- facilitate policy and decision making;
- ensure the economical, effective and efficient use of resources;
- ensure compliance with established policies (including behavioural and ethical expectations), procedures, laws and regulations;
- safeguard the service's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption; and
- ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes.

- 2.2 To confirm that management have controls in place to detect and vigorously, pursue, fraud, corruption, other irregularities, errors and poor value for money.

- 2.3 To confirm that appropriate management action has been taken to implement recommendations for change leading to improvement in performance and/ or control.

3. SCOPE

- 3.1 The audit included the following areas (and number of recommendations made):

Audit Area	Recommendations Made		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Governance and Leadership	0	0	0
Budgetary Control & Monitoring	0	0	0
Payroll	0	0	0
Safeguarding	0	0	0





Audit Area	Recommendations Made		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Procurement	0	0	0
Bank Accounts	0	0	0
Information Governance	0	0	1
Health and Safety	0	1	0
Income	0	0	0
Totals	0	1	1

Appendix 2

Definitions for Audit Opinions and Recommendations

In order to assist management in using our reports:

We categorise our **audit assurance opinion** according to our overall assessment of the risk management system, effectiveness of the controls in place and the level of compliance with these controls and the action being taken to remedy significant findings or weaknesses.

	Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are constantly applied.
	Substantial Assurance	While there is basically a sound system of control to achieve the system objectives, there are weaknesses in the design or level of non-compliance of the controls which may put this achievement at risk.
	Limited Assurance	There are significant weaknesses in key areas of system controls and non-compliance that puts achieving the system objectives at risk,
	No Assurance	Controls are non-existent or extremely weak, leaving the system open to the high risk of error, abuse and reputational damage.

Priorities assigned to recommendations are based on the following criteria:

Priority 1 (High)	Fundamental control weaknesses that require immediate attention by management to action and mitigate significant exposure to risk.
Priority 2 (Medium)	Control weakness that still represent an exposure to risk and need to be addressed within a reasonable period.
Priority 3 (Low)	Although control weaknesses are considered to be relatively minor and low risk, still provides an opportunity for improvement. May also apply to areas considered to be of best practice that can improve for example the value for money of the review area.

Statement of Responsibility

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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