

Final Internal Audit Report

Rockmount Primary School

September 2022

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

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

[Confidentiality and Disclosure Clause](#)

This report ("Report") was prepared by Mazars LLP at the request of 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.**

Contents
Page

Executive Summary

1. Introduction
Error! Bookmark not defined.
 2. Key Issues 2
-

Detailed Report

3. Actions and Key Findings/Rationale 3

Appendices

1. Terms of Reference
2. Definitions for Audit Opinions and Recommendations
3. Statement of Responsibility

1. Introduction

- 1.1 Rockmount Primary School (the 'School') is a Primary School and at the time of this audit there were 484 pupils attending. It had an expenditure budget of £2,972,356 for 2021/22.
- 1.3 The fieldwork for this review was completed remotely. While our review and testing were performed remotely, we have been able to obtain all relevant documents required to complete the review.
- 1.4 The audit was undertaken as part of the agreed Internal Audit Plan for 2021/22 based on a risk assessment. The objectives, approach and scope are contained in the Audit Terms of Reference at Appendix 1.

2. Key Issues**Priority 2 Issues**

The School did not have a formal 3 to 5 year finance strategy. **(Recommendation 1)**

Internal audit reviewed the Health and Safety checklist which confirmed that, although general risk assessment is in place, the School did not have a Glazing Risk Assessment or Traffic Management Plan. **(Recommendation 2)**

Acknowledgement

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

- Head Teacher
- School Business Manager

3. Actions and Key Findings/Rationale

Priority	Recommendation 1	Detailed Finding/Rationale		
2	The School should develop a formal 3-5 year finance strategy in accordance with the SFVS.	<p>Expected Control</p> <p>As per Q6 of the Schools Financial Value Standard (SFVS), the School is required to have a realistic, sustainable, and flexible financial strategy in place for at least the next 3 to 5 years, based on realistic assumptions about future funding, pupil numbers and pressures. This strategy should be integrated with the School's strategy for raising standards and attainment.</p> <p>Finding</p> <p>Internal audit was informed by the School Business Manager that the School did not have a formal 3 to 5 year financial strategy or a strategy for raising standards and attainment.</p> <p>Risk</p> <p>Lack of a formal 3 to 5 year financial strategy can make it difficult to ensure that the School is prepared to deal with various challenges, including raising standards and attainment.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
We agree with the recommendation. However, although we do not have a formal 3 – 5 year finance strategy, our budget plan is informed by the priorities within our school development plan and premises ICT Management Plan.		Agreed	Headteacher/School Business Manager	October Resources Meeting.

Audit Area: Health and Safety

Priority	Recommendation 2	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>Expected Control</p> <p>The Health & Safety at Work Act 1974, its subordinate legislation, The Regulatory Reform (Fire Safety) Order 2005, Control of Asbestos Regulations 2012 and other related legislations place responsibilities on school governing bodies for the appropriate management of building related risks.</p> <p>Finding</p> <p>Internal audit reviewed the School’s Health and Safety checklist which confirmed that although a general risk assessment was in place, the School did not have a Glazing Risk Assessment or Traffic Management Plan.</p> <p>Risk</p> <p>Where gaps in the Health and Safety checklist are not identified and addressed within a timely manner, there is a risk that harm could come to children and staff when present on school premises.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
Agreed		Agreed	Site Manager/School Business Manager	October half-term

AUDIT TERMS OF REFERENCE

Rockmount 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	1	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	0
Health and Safety	0	1	0
Income	0	0	0
Totals	0	2	0

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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