

Final Internal Audit Report

Coloma Convent Girls' School

June 2023

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

Assurance Level	Recommendations Made	
Limited Assurance	Priority 1	3
	Priority 2	9
	Priority 3	2

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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 Coloma Convent Girls' School ('School') is a voluntary aided Catholic school and at the time of audit there were 1,046 pupils attending. The School has an expenditure budget of approximately £6,870,434 for 2022/23.
- 1.3 The fieldwork for this review was completed remotely. We were unable to obtain all relevant documents required to complete the review, including an Information Asset Register, a completed version of the Health and Safety Checklist, an Annual Budget Listing Report, the Staff Induction Pack and a Cashflow Forecasting Report.
- 1.4 The audit was undertaken as part of the agreed Internal Audit Plan for 2022/23 based on a risk assessment. The objectives, approach and scope are contained in the Audit Terms of Reference at Appendix 1.

2. Key Issues

- 2.1 One finding arising from the audit is no longer applicable, due to the School becoming an academy and are therefore not included in the detailed findings below. This relates to the School's budget not being evidenced as approved and submitted to the Local Authority by 31 May annually.

Priority 1 Recommendations

A review of the School's Governance Constitution found that six new governors had been appointed in the last 12 months. For four of these governors, DBS checks were not applied for within 21 days following the appointment of each respective governor as required by regulations.

Examination of the School's Single Central Record established that the DBS checks for two Governors were more than three years old and were last issued on 11 March 2016 and 21 November 2018. **(Recommendation 2)**

An Information Asset Register was requested from the School Business Manager (SBM) but was not made available for the purpose of this audit. **(Recommendation 8)**

Prior to the audit fieldwork, the School were provided a Health and Safety checklist that was to be completed prior to the ending of the review. The School did not provide a copy of the completed Health and Safety Checklist over the course of the audit period. Internal Audit was therefore not able to confirm whether Health and Safety checks had been undertaken by the School and that these were up to date. **(Recommendation 11)**

Priority 2 Recommendations

While a quarterly budget monitoring report is generated and presented to the Governing Body, Internal Audit was not provided evidence to confirm that monthly budget monitoring reports were being reviewed (and signed) by the Headteacher each month. **(Recommendation 1)**

Internal Audit was informed by the School Business manager (SBM) that the School Pay Policy, which is required to be annually reviewed and approved by regulations, was due for approval by the full Governing Body on 11 July 2022; however, evidence was

not provided to confirm whether this had been reviewed and approved by the full Governing Body on 11 July 2022. **(Recommendation 3)**

A review of right to work documentation provided for five staff members commencing employment with the School during 2021/22 found that, in two cases where both staff members were teachers, right to work documentation was not signed and dated as required by UK Borders Agency guidance. **(Recommendation 4)**

Internal Audit was not provided evidence of a Staff Induction Pack. As such, Internal Audit could not confirm that the Child Protection Policy, Staff Behaviour Policy and role of the Designated Safeguarding Lead was being provided to all staff as part of the induction process. **(Recommendation 5)**

Examination of the documentation relating to a sample of 15 purchases selected from the school's Bank Account History report dated from 1 April 2021 to 24 June 2022 found that for five purchases, the purchase orders were raised after the corresponding invoices had been received. **(Recommendation 6)**

Internal Audit requested evidence of a Cashflow Forecasting report from the SBM but this was not made available. **(Recommendation 7)**

Internal Audit was informed by the Headteacher and SBM that a HR Policies and Procedures Manual was not in place. **(Recommendation 9)**

Examination of the School's GDPR Data Protection Policy found that this policy was last reviewed by the full Governing Body on 5 December 2019. Further to this, the consequences of any breaches, such as written warnings, were not identified within the GDPR Data Protection Policy.

A review of the IRMS Toolkit for Schools Data Retention Policy found that this policy was published and approved by the Governing Body in 2019. The SBM asserted that the IRMS Toolkit for Schools Policy was last reviewed on 5 August 2021 by the Clerk and Governors. However, this could not be evidenced. **(Recommendation 10)**

Examination of documentation relating to five letting arrangements in place between the school and the hirer found that for all five lets, signed Hirer Agreements were not retained on file. Further to this, authorisation of these five lets by the Headteacher was not evidenced to Internal Audit. **(Recommendation 12)**

The Priority 3 recommendations are 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 Business Manager

3. Actions and Key Findings/Rationale

Audit Area: Budget Planning, Monitoring and Reporting

Priority	Recommendation 1	Detailed Finding/Rationale		
2	The School should ensure that the monthly budget monitoring reports are produced and monitored by the Headteacher on a monthly basis.	<p>Expected Control</p> <p>The School's Finance Policy and Procedure details that, '<i>The School Business Manager/ Finance Officer prepares a monthly budget monitoring report for income and expenditure including sums committed but not yet paid and out turn forecasts against the approved budget. These reports should be reconciled with the school's accounting records and signed by the Headteacher as evidence that the budget monitoring report has been reviewed.</i>'</p> <p>Issue/Finding</p> <p>While a quarterly budget monitoring report is generated and presented to the Governing Body, Internal Audit was not provided evidence to confirm that monthly budget monitoring reports (although quarterly budget reports were produced and reviewed) were being reviewed (and signed) by the Headteacher each month.</p> <p>Risk</p> <p>Where budget reports are not regularly monitored, there is a risk that the school deviates from the approved budget plan, resulting in under/ overspending and a failure to satisfy certain resourcing requirements.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
Budgets would be discussed between the Headteacher and School Business Manager on a regular basis, along with signing monthly payroll payment reports.		Agreed	School Business Manager Headteacher	SELCAT Internal Audit 13 April 2023.

From 1 November 2022, as part of SELCAT, monthly monitoring reports are submitted to the Headteacher and Chair of Governors in accordance with the MAT's finance policies and procedures document. The MAT has a system of internal control scrutiny that will comply with audit in this respect.

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Audit Area: Payroll

Priority	Recommendation 2	Detailed Finding/Rationale		
1	<p>The School should ensure that applications for DBS checks are made within 21 days of the appointment or election of new governors.</p> <p>The School should ensure that DBS checks for all members of staff and governors are renewed every three years.</p>	<p>Expected Control</p> <p>The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016 states that, <i>‘where a Governor is elected or appointed on or after 1st April 2016 and does not hold an enhanced criminal record certificate, the Governing Body must apply for such a certificate in respect of that Governor with 21 days after his or her appointment or election’.</i></p> <p>Disclosure and Barring Service (DBS) checks are only accurate on the day issued, becoming of date immediately thereafter. Unless the ‘DBS Update Service’ is in place, all DBS checks (for staff and governors) should be periodically renewed. The Council’s Policy is to renew all DBS checks every three years.</p> <p>Issue/Finding</p> <p>A review of the School’s Governance Constitution found that six new governors had been appointed in the last 12 months. For four of these governors, DBS checks were not applied for within 21 days following the appointment of each respective governor.</p> <p>Examination of the school’s Single Central Record established that the DBS checks for two Governors were more than three years old and were last issued on 11 March 2016 and 21 November 2018.</p> <p>Risk</p> <p>Where DBS checks are not applied for or renewed in a timely manner, there is a risk that the School will not be aware of changes in circumstances which may result in children being placed at risk.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>Re. New Governor DBS Applications</p> <p>- These governors were appointed as the School broke up for the two week Easter holidays. The</p>		Agreed	Clerk Governors	Ongoing.

Clerk met with the Governors for their Induction on 07/05/22. We were then able to obtain original identification and the process was completed the following week.

Re. Existing Governor DBS Renewals

- When governors were able to meet with staff during the working day, for original ID identification, DBS were renewed/checked (one was on the update service).

Governors meetings generally take place in the evenings, out of school hours. When governors do attend during the school day, they are accompanied.

SELCAT Central Services HR function can support the school in checking that the necessary requirements are carried out.

Priority	Recommendation 3	Detailed Finding/Rationale		
2	The School should ensure that the School Pay Policy is reviewed annually by the full Governing Body.	<p>Expected Control</p> <p>The DfE School Teachers' Pay and Conditions Document 2021 and Guidance on School Teachers' Pay and Conditions states that 'all relevant bodies must have a Pay Policy. This should be linked to the appraisal policy. Pay and appraisal policies should be reviewed annually and kept up to date to take account of any uplift to the national framework and any legal changes or changes in the staffing structure which have an impact on discretionary pay decisions.'</p> <p>Issue/Finding</p> <p>Internal Audit was informed by the SBM that the School Pay Policy was due for approval by the full Governing Body on 11 July 2022, however, evidence was not provided to confirm whether this has been reviewed and approved by the full Governing Body on 11 July 2022.</p> <p>Risk</p> <p>Where the School Pay Policy is not updated and reviewed on an annual basis, there is a risk that the policy does not take account of any uplift to national framework and any legal changes or internal changes, such as changes in the staffing structure, which may have an impact on pay decisions.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>This was approved at the Pay Committee Meeting on 03/11/22 (minutes provided).</p> <p>From 1st November 2022, there is a MAT wide Pay Policy in place for all Trust schools which is reviewed and approved by the Trust Board.</p>		Agreed	Clerk Governors	Complete

Priority	Recommendation 4	Detailed Finding/Rationale		
2	The School should conduct all mandatory pre-employment checks, including right to work checks, prior to an offer of employment being made, in line with statutory guidelines.	<p>Expected Control</p> <p>UK Government employment requirements state that an employer “<i>must check that job applicant is allowed to work for [the organisation] in the UK before [the organisation] employs them</i>” to mitigate the risk of civil penalties being issued for illegal workers.</p> <p>Issue/Finding</p> <p>A review of right to work documentation provided for five staff members commencing employment with the school during 2021/22 found that in two cases where both staff members were teachers, right to work documentation was not signed and dated (although it was noted that the date of receipt and initials of reviewer were recorded in the file name).</p> <p>Risk</p> <p>Where an employee’s right to work in the UK is not evidenced prior to offers of employment being made, this can lead to a risk of fine and reputational loss if the employee does not have a valid right to work.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
SELCAT Central Services HR function can support the school to ensure compliance.		Agreed, saved without signing/dating in error.	HR Staff	Ongoing SELCAT Internal Audit 13 April 2023.

Audit Area: Safeguarding

Priority	Recommendation 5	Detailed Finding/Rationale		
2	<p>The School should ensure that a Staff Induction Pack is provided to all staff as part of the induction process. This should include the Child Protection Policy, Staff Behaviour Policy and the role of the Designated Safeguarding Lead (DSL).</p>	<p>Expected Control</p> <p>The Keeping Children Safe in Education Statutory Guidance for schools and colleges 2021 states that <i>'all staff should be aware of the systems within their school or college which support safeguarding, and these should be explained to them as part of staff induction. This should include the child protection policy, behaviour policy, staff behaviour policy, safeguarding response to children who go missing from education, and the role of the designated safeguarding lead. Copies of policies should be provided to all staff at induction.'</i></p> <p>Issue/Finding</p> <p>Internal Audit was not provided evidence of a Staff Induction Pack. As such, Internal Audit could not confirm that the Child Protection Policy, Staff Behaviour Policy and role of the Designated Safeguarding Lead was being provided to all staff as part of the induction process.</p> <p>Risk</p> <p>Where a Staff Induction Pack is not provided to members of staff commencing employment with the School, there is a risk that staff are not aware of their safeguarding responsibilities and the procedures that should be followed to promote the welfare of children at the School.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>The majority of new staff join on 1 September. These staff attend a day induction in July and the annual inset day which covers the Child Protection Policy, Staff Behaviour Policy and the role of the Designated Safeguarding Lead (DSL).</p> <p>All staff are provided with the Staff Handbook which includes staff dress, conduct/behaviour.</p>		Agreed	HR Staff Safeguarding Lead	Not applicable

For those staff that join after 1 September a 'New Starter' email is sent by Coloma HR staff for actioning e.g. to the Safeguarding Lead for Safeguarding Training.

From 1st November, all staff members have access to the SELCAT intranet which has links to all policies in operation across the Trust, including Induction information.

Audit Area: Procurement

Priority	Recommendation 6	Detailed Finding/Rationale
2	The School should ensure that for all purchases a relevant purchase order form is completed and evidenced as appropriately authorised before committing to these transactions.	<p>Expected Control</p> <p>The School's Finance Policy and Procedures Manual (Page 17) details that '<i>official, pre-numbered orders from the school's accounting system must be used for all goods and services except utilities, rents, rates and petty cash payments</i>' and that '<i>where urgency requires a verbal order, these must be confirmed by a written order</i>'.</p> <p>Issue/Finding</p> <p>Examination of the documentation relating to a sample of 15 purchases selected from the school's Bank Account History report dated from 1 April 2021 to 24 June 2022 found that for five purchases, the purchase orders were raised after the corresponding invoices had been received. The exceptions identified were as follows:</p> <ol style="list-style-type: none">1. AP Alliance in Partnership Ltd – invoice raised on 31st March 2021; purchase order raised on 29th April 2021.2. AP Cleankill Pest Control – invoice raised on 1st April 2022; purchase order raised on 25th April 2022.3. AP Commercial Grounds Care Services Ltd – invoice raised on 20th April 2022; purchase order raised on 28th April 2022.4. AP Institute of School Business Leadership – invoice raised on 10th May 2022; purchase order raised on 11th May 2022. <p>It is acknowledged that School's finance system is closed for the first two weeks of April for financial year end administration, notwithstanding the above April 2022 orders were not raised until the 4th week of April.</p> <p>Risk</p> <p>Where purchase orders are not raised and authorised prior to purchases being made, there is a risk that the authorisation and commitment processes are by-passed, which could result in inappropriate purchases and poor budgetary control.</p>

Management Response	Agreed/Disagreed	Responsible Officer	Deadline
<p>The School's finance system is closed for the first two weeks of April for financial year end administration. The system re-opens on week 3 and the finance staff first look to catch-up following the two week closure and then look to put on Purchase Orders for all repeat/renewal purchases/services over the coming weeks/months.</p> <ol style="list-style-type: none"> 1. Internal Catering Hospitality Order – AIP do not operate invoicing for internal requests. 2. A rolling contract. 3. Rolling external service provision. 5. An annual renewal. <p>From 1st November the school is now subject to the MAT's finance policy and procedures document. Internal scrutiny will ascertain whether procedures are not being followed. In addition system controls on the MAT wide finance system apply electronic authorisation at the appropriate level via the SIMS Finance cloud system.</p>	Agreed	Finance Staff	31 May 2023

Audit Area: Banking

Priority	Recommendation 7	Detailed Finding/Rationale		
2	<p>The School should ensure that a Cashflow Forecasting report is produced for the purposes of monitoring cashflow, such that the risk of the school bank account being overdrawn is mitigated.</p>	<p>Expected Control</p> <p>The School's Finance Policy and Procedure Manual (Page 15) states that <i>'The School Business Manager/ Finance Officer should produce a cash flow forecast to ensure that the school does not go overdrawn since, under the Schools Standards and Framework Act 1998, schools cannot borrow without the approval of the Secretary of State.'</i></p> <p>Issue/Finding</p> <p>Internal Audit requested evidence of a Cashflow Forecasting report from the SBM but this was not made available.</p> <p>Risk</p> <p>Where a Cashflow Forecasting report is not produced and made accessible to relevant members of staff, there is a risk that cashflow is not monitored, leading to the school bank account potentially being overdrawn.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>Cashflow was discussed and looked at on a weekly/regular basis, as bank reconciliations were completed on the school's finance system (FMS) and bank unreconciled items were considered.</p> <p>From 1 November, the school became part of the SELCAT. The MAT has a Monthly Monitoring Suite that has been installed on the School's system, which automatically generates a Cashflow Report for Headteachers and Chairs of Governors.</p>		Agreed	School Business Manager	31 May 2023

Audit Area: Information Governance

Priority	Recommendation 8	Detailed Finding/Rationale		
1	The School should ensure that an Information Asset Register is maintained. This should include the key types of data/ information held within the School, what it is used for, where it is stored, the parties it is shared with (where applicable), retention period and the measures in place for protecting this information.	<p>Expected Control</p> <p>The Information Commissioner’s Office (ICO) states that an organisation should, ‘<i>have an asset register that records assets, systems and applications used for processing or storing personal data across the organisation.</i>’</p> <p>Issue/Finding</p> <p>An Information Asset Register was requested from the SBM but was not made available for the purpose of this audit.</p> <p>Risk</p> <p>Where an Information Asset Register is not in place and kept up to date, there is a risk that the School is non-compliant with the UK General Data Protection Regulations (GDPR) and contravenes the provision of the Data Protection Act 2018, leading to reputational loss.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
From 1 November the School will look to use the Information Asset Register MAT template available on the MAT intranet, which can be used and filled in by the School to meet this request.		Agreed	School Business Manager IT Manager	SELCAT Internal Audit 13 April 2023.

Priority	Recommendation 9	Detailed Finding/Rationale		
2	The School should produce a HR Policies and Procedures Manual which should include the consequences of data breaches. This should be updated to reflect any changes in legislation and subject to review on an annual basis.	<p>Expected Control</p> <p>The ICO states that data breaches could result in significant fines being issued to the responsible organisation. To mitigate the risk of breaches occurring, it is expected that the School's HR policies reflect possible causes of data breaches, actions to mitigate breaches, and consequences of breaches occurring.</p> <p>Issue/Finding</p> <p>Internal Audit was informed by the Headteacher and SBM that a HR Policies and Procedures Manual was not in place.</p> <p>Risk</p> <p>Where HR Policies and Procedures are not in place, there is a risk that legislative guidance on staff discipline, conduct and grievance is not followed and that the behaviour of staff is not effectively monitored to address any misconduct, such as data breaches.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>A Data Protection Policy was in place, along with a number of other school HR policies on the school website.</p> <p>From 1 November - The MAT has a Data Breach Policy in place which is reviewed by the Trust Board and applicable to all schools in the Trust.</p> <p>The Central Services HR function will produce additional HR resources for schools via the MAT intranet.</p>		Agreed	Data Protection Officer Governors	31 May 2023

Priority	Recommendation 10	Detailed Finding/Rationale		
2	<p>The Data Protection Policy should be updated to comply with the General Data Protection Regulations (UK GDPR). The consequences of any breaches should also be included within the Data Protection Policy. The school should ensure that this policy is subject to the review and approval of the full Governing Body.</p> <p>The School should also ensure that the Information and Records Management System (IRMS) Data Retention Policy is up to date and subject to regular review by the full Governing Body.</p>	<p>Expected Control</p> <p>The Department for Education (DfE) guidance on Statutory Policies for Schools and Academy Trusts recommends that the Data Protection Policy is reviewed annually by the Governing Body, individual Governor or Headteacher.</p> <p>Issue/Finding</p> <p>Examination of the School's GDPR Data Protection Policy found that this policy was last reviewed by the full Governing Body on 5 December 2019. Further to this, the consequences of any breaches, such as written warnings, were not identified within the GDPR Data Protection Policy.</p> <p>A review of the IRMS Toolkit for Schools Data Retention Policy found that this policy was published and approved by the Governing Body in 2019. The SBM confirmed that the IRMS Toolkit for Schools Policy was last reviewed on 5 August 2021 by the Clerk and Governors. However, this could not be evidenced.</p> <p>Risk</p> <p>Where the School's GDPR Data Protection Policy and IRMS Toolkit for Schools Data Retention Policy are not up to date, there is a risk that the guidance does not encapsulate the current legislative requirements and key contacts details. This can make the policies less useful and fit for purpose.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
The MAT has a policies in place which apply to all Trust schools and is reviewed by the Trust Board.		Agreed	Data Protection Officer Governors	Complete

Audit Area: Health and Safety

Priority	Recommendation 11	Detailed Finding/Rationale		
1	<p>The School should ensure that adequate Health and Safety compliance checks have been undertaken by the school and that these are up to date.</p>	<p>Expected Control</p> <p>The DfE guidance on Health and Safety for schools states that <i>'Health and Safety law requires the school to assess risk and put in place proportionate control measures. The law also requires it to record details of risk assessments, the measures taken to reduce these risks and expected outcomes.'</i></p> <p>Issue/Finding</p> <p>Prior to the audit fieldwork, the School were provided a Health and Safety checklist that was to be completed prior to the ending of the review. The School did not provide a copy of the completed Health and Safety Checklist over the course of the audit period. Internal Audit was therefore not able to confirm whether Health and Safety checks had been undertaken by the School and that these were up to date.</p> <p>Risk</p> <p>Where Health and Safety checks are not conducted, there is a risk that the health and safety of all staff, pupils, visitors and contractors is not protected from both identified and unidentified hazards.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
<p>From 1 November - The MAT has rolled out a comprehensive H&S Compliance Tracker system to all its schools. There is also support from the Estates Lead at Central Services for site teams to complete the tracker. Headteachers and Governors can access their school's tracker in real time to confirm compliance.</p>		Agreed	Not applicable	Not applicable

Audit Area: Income

Priority	Recommendation 12	Detailed Finding/Rationale		
2	The School should ensure that Hirer Agreements are completed for all lets and retained on file. These should be authorised and signed by the Headteacher.	<p>Expected Control</p> <p>The School's Letting Policy states that, <i>'the Headteacher will approve all applications for lettings, reporting to the Governing Body on a regular basis, and will retain the right to decline any application'</i> and that <i>'all hirers must accept the conditions outline in the Terms and Conditions of Hire.'</i></p> <p>Issue/Finding</p> <p>Examination of documentation relating to five letting arrangements in place between the school and the hirer found that for all five lets, signed Hirer Agreements were not retained on file. These were for:</p> <ol style="list-style-type: none"> 1. Beckenham Rovers 2. Beckenham Town JFC 3. The Kinetic Foundation 4. Sports Attack Academy 5. St Gertrude's FC <p>Further to this, authorisation of these five lets by the Headteacher was not evidenced to Internal Audit.</p> <p>Risk</p> <p>Where Hirer Agreements containing the terms of conditions of hire are not completed and retained on file, there is a risk that hirers are not aware of the terms and conditions of hire and that the school is not appropriately indemnified against any liabilities.</p>		
Management Response		Agreed/Disagreed	Responsible Officer	Deadline
All are rolling hirers from: 1. 2018, 2. 2019, 3. 2016, 4. 2020, 5. 2013.		Agreed	Lettings Manager	Complete

The School moved to an online system (School Hire) which went live on 1st September 2022, which has improved procedures before hires can take place.

From 1st November - The MAT has a template available on the intranet which complies with the auditor requirement.

4. Priority 3 Recommendations

Recommendation	Detailed Finding/Rationale
<p>Payroll</p> <p>a) The School should ensure that where an employee submits a notice of resignation, an acknowledgement of this resignation is provided in writing by the Headteacher.</p> <p>School's Response</p> <p>This was actioned for August 2022 Leavers onwards.</p>	<p>Expected Control</p> <p>The School should have an appropriate framework in place to ensure that all terminations are necessary and processed in line with the relevant policies and procedures. The Headteacher should acknowledge resignations to confirm the leaving date and prevent misunderstandings.</p> <p>Issue/ Finding</p> <p>Documentation relating to five employees terminating employment with the school between August 2021 and May 2022 was tested. Evidence of the Headteacher acknowledgement of resignation was not provided to Internal Audit for three leavers (Sample Numbers 1, 3 and 4).</p> <p>Risk</p> <p>Where Headteacher acknowledgement of resignation is not provided for employees terminating employment with the school, there is a risk that the actual leaving dates may be misunderstood.</p>
<p>Procurement</p> <p>b) As part of the annual benchmarking exercise, the School should consider setting targets for areas of improvement that have been identified.</p> <p>The findings of the benchmarking exercise should also be discussed with the School's Governing Body and Finance Committee.</p> <p>School's Response</p> <p>The MAT is building benchmarking dashboards available in real time to governors via the intranet. The data will primarily benchmark against the other</p>	<p>Expected Control</p> <p>The DfE Checklist Guidance on completing the SFVS states that <i>'benchmarking is a process for comparing income and expenditure in detail with that of similar schools to consider whether and how your school can use resources better and identify where changes can be made.'</i> The Guidance also details that <i>'this process should be taken annually'</i> and <i>'schools should report their findings from benchmarking to the Governing Body.'</i></p> <p>Issue/Finding</p> <p>A review of the School's Benchmarking Report Card for 2020/21 found that areas for improvement were identified. However, targets being set for improvement in expenditure on these areas was not evidenced.</p> <p>It was also found that the Benchmarking Report Card was reviewed at the Finance Committee and full Governing Board meetings dated 15 March 2022 and 30 March 2022, respectively. However, findings detailed within the Benchmarking Report Card were not discussed.</p> <p>Risk</p>

schools in the Trust as the MAT defines the cost centres which the schools post to and therefore has a higher degree of control than national benchmarking. We expect this to be implemented before the end of the 2022/23 academic year.

Where the school does not set targets for improving expenditure in categories of spend identified by the benchmarking exercise as appearing out of line, there is a risk that the school fails to demonstrate value for money.

AUDIT TERMS OF REFERENCE

Coloma Convent Girls' School – 2022/23

1. INTRODUCTION & BACKGROUND

- 1.1 This audit was undertaken as part of the Internal Audit Plan for 2022/23, 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	1	2	1
Safeguarding	0	1	0

Audit Area	Recommendations Made		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Procurement	0	1	1
Bank Accounts	0	1	0
Information Governance	1	2	0
Health and Safety	1	0	0
Income	0	1	0
School Fund	0	0	0
Totals	3	9	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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