

Table of issues identified for those audits ranked as in need of improvement in 2016/17

Establishment Audits	Issues noted	Progress / updates
Started 15/16 finished 16/17		
School 1	<ul style="list-style-type: none"> • School meal arrears exceed the levels set out in the School Meals Credits/Arrears Procedure. • Material differences between meals ordered and meals served • Purchasing card transactions not authorised by Head Teacher • Ex-employee overpaid substantially because of late submission of leavers forms • School Private Fund bank reconciliations not being carried out 	Follow up audit to be undertaken November 2017
School 2	<ul style="list-style-type: none"> • Duplicate payments income banked without reference to Collections & Deposits return • Monthly Collections & Deposits return not certified by Head Teacher • School meal arrears exceed the levels set out in the School Meals Credits/Arrears Procedure • All School Private Fund income analysed as miscellaneous • No daily record of income for School Private Fund 	Follow up audit undertaken January 2017. Still in need of improvement (see School 7 below)
Started 16/17 finished 16/17		
School 3	<ul style="list-style-type: none"> • No process to ensure free school meals provided by supplier and paid by School are accurate • No evidence to substantiate value for money/safety of transport to School • VAT on leases for the School Minibus & Computers had not been reclaimed • Insurance policy not available • Absence of Computer/Information Security Policy & Internet Usage Policy • Minibuses - No proof of MOT/tax/insurance 	Follow up audit to be undertaken 2017/18

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School 4	<ul style="list-style-type: none"> • Delays in banking School money • No daily record of income for School income • School meal arrears exceed the levels set out in the School Meals Credits/Arrears Procedure • School meal arrears not brought forward from one School year to the next • Unsatisfactory ordering and payment processes • Delivery notes not retained and not noted on copy orders • Invoice checking process poor • School Private Fund bank reconciliations not being carried out • No daily record of income for School Private Fund • No procedure for accurately accounting for School trips 	<p>Follow up audit to be undertaken 2017/18</p>
School 5	<ul style="list-style-type: none"> • Material differences between meals ordered and meals served • School meal arrears exceed the levels set out in the School Meals Credits/Arrears Procedure • Ex-employee overpaid substantially because of late submission of leavers forms • School Private Fund bank reconciliations not being carried out • No daily record of income for School Private Fund • Lack of expenditure receipts in School Private Fund • Overdrawn bank account in School Private Fund 	<p>Follow up visit undertaken in February 2017. Progress made, now classed as satisfactory</p>
Started 16/17 finished 17/18		
School 6	<ul style="list-style-type: none"> • Unsatisfactory ordering and payment processes • Long delays and over banking in School Private Fund • Lack of expenditure receipts in School Private Fund • Income not recorded on daily income record when received 	<p>Visited Headteacher in March 2017, providing targeted training Follow up audit to be undertaken in November 2017</p>

Appendix 2

School 7	<ul style="list-style-type: none"> • School meal arrears exceed the levels set out in the School Meals Credits/Arrears Procedure • Free School meals without correct authorisation • Duplicate payments • Unsatisfactory ordering and payment processes • Few leases and contracts available • School Private Fund bank reconciliations not being carried out • No evidence of Private Fund audit • No Private Fund Income records retained by staff • Lack of expenditure receipts in School Private Fund 	Visit made to Governing body in June 2017 Follow up audit to be undertaken to assess progress
Systems Audits	Issues noted	Progress / updates
Customer First cash offices	<ul style="list-style-type: none"> • Cash income, balancing, administration and record keeping. • Mobile van 	Follow up audit due 2017. Processes and procedures under review by Head of Service
Purchase ledger	<ul style="list-style-type: none"> • Payment of staff expenses via purchase ledger • New suppliers being set up with insufficient information • Process over supplier amendments 	New processes set up so that payments to individuals and staff members are scrutinised before payment. New processes set up relating to new supplier accounts and account amendment
Purchase ledger feeders	<ul style="list-style-type: none"> • Status of time sheets entered onto Agency workers payments system • Electronic feeder system operating over energy payments and communication between departments require improvements 	Energy feeder systems replaced with a manual system until resolved
Expenses	<ul style="list-style-type: none"> • Management review and monitoring to ensure compliance with policies. 	To be followed up
Supporting People	<ul style="list-style-type: none"> • Compliance with Welsh Government timetables • Contracting and payment arrangements particularly with some long standing suppliers • Evidence to support some payments/rates 	Grant subject to annual audit and improvements are being made.
School Meals income and arrears	<ul style="list-style-type: none"> • Current system based on old software • Current processes • Individual schools delays in submitting income and arrears returned • Errors in schools data 	Under review by Service area which is seeking an IT based solution and cashless system.

Appendix 2

	<ul style="list-style-type: none"> • Individual schools breaching arrears policies • Inefficient and costly methods of collection of arrears 	
WHQS - pain/gain process	<ul style="list-style-type: none"> • Pain/gain process not completed within agreed timescales • Concerns over methodology employed in ordering process • Pain/gain not reported to Project Board 	Report discussed with both Head of Programme and Relationship Manager - annual process