

# Appendix 2: high priority recommendations

## 1. Synopsis

- 1.1. This Appendix summarises high priority recommendations arising from audit reviews with a limited or no assurance rating since our last update to Committee in September 2022. It provides an overview of findings in areas where control weaknesses have been identified that present a high risk to specific service objectives.
- 1.2. Follow up reviews will be conducted to assess the level of implementation of audit recommendations.

## 2. Summaries of high priority findings

### 2.1. Establishment audits

Reference	Audit Title
PS21-2-1	Schools establishment review – St John’s Highbury Vale Primary School
<ul style="list-style-type: none"><li>1. <b>Purchasing and expenditure:</b> purchase orders are not consistently in place for transactions and duplicate transactions were identified</li><li>2. <b>Income charging and banking:</b> discrepancies between bank records and the school’s financial records identified through bank reconciliations were not fully investigated. Debt monitoring and recovery activities are not consistently carried out. Calculations of charges to parents for school trips were not supported by evidence.</li><li>3. <b>Lettings:</b> contractual and insurance documentation is not in place for some lettings and the lettings policy is not up-to-date.</li><li>4. <b>HR and payroll:</b> contracts are not in place for services bought in from other schools and it is not clear whether the current staffing structure supports effective financial and administrative management. Vetting of staff and contractors is not consistent.</li><li>5. <b>Asset management:</b> assets are not effectively documented and monitored.</li></ul>	

Reference	Audit Title
PS21-2-4	Schools establishment review – Duncombe Primary School
<ol style="list-style-type: none"> <li>1. <b>Financial management:</b> financial regulations and a scheme of financial delegation were not in place. A formal licensed deficit agreement was not in place.</li> <li>2. <b>Purchasing and expenditure:</b> purchase orders are not consistently in place for transactions and one purchase exceeded delegated limits.</li> <li>3. <b>Income charging and banking:</b> separation of duties is not enforced for cash handling. Income records are not clearly maintained. Discrepancies between bank records and the school's financial records were not identified through bank reconciliations. Debt monitoring and recovery activities are not consistently carried out.</li> <li>4. <b>Lettings:</b> DBS vetting and insurance documentation is not in place for some lettings.</li> <li>5. <b>HR and payroll:</b> vetting of staff and contractors is not consistent.</li> <li>6. <b>Contracts and leases:</b> contracts are not recorded in a contracts register and procurement rules were not consistently followed.</li> </ol>	

Reference	Audit Title
CS22-2-2	Schools establishment review – Pooles Park Primary School
<ol style="list-style-type: none"> <li>1. <b>Purchasing and expenditure:</b> separation of duties was not consistently in place for transactions and purchase orders were not used.</li> <li>2. <b>Income charging and banking:</b> debt monitoring and recovery activities are not consistently carried out. Separation of duties is not enforced for cash handling.</li> <li>3. <b>Lettings:</b> DBS vetting and insurance documentation is not in place for some lettings. The school's lettings policy is not followed.</li> </ol>	

Reference	Audit Title
CS22-2-2	Schools establishment review – Pooles Park Primary School
	<ol style="list-style-type: none"> <li>4. <b>HR and payroll:</b> vetting of staff and contractors is not consistent. Expense claims were not consistently supported by receipts.</li> <li>5. <b>Contracts and leases:</b> contractual arrangements are not subject to governor oversight and procurement rules were not consistently followed.</li> <li>6. <b>Asset management:</b> assets are not effectively documented and monitored. An asset disposal was not appropriately approved.</li> </ol>

Reference	Audit Title
HOU21-2-3	Tenant Management Organisation (TMO) establishment review – Spa Green
	<ol style="list-style-type: none"> <li>1. Key policies and procedures were not up to date. Some policies and procedures were not in place or were not fit for purpose.</li> <li>2. The annual budget was not approved or regularly reviewed by the management committee.</li> <li>3. Annual accounts were not produced due to issues with a dormant bank account.</li> <li>4. Purchase requisitions were not consistently used.</li> <li>5. Purchase values exceeded delegated limits.</li> <li>6. A bank mandate was not available for one bank account.</li> </ol>

Reference	Audit Title
HOU21-2-5	Tenant Management Organisation (TMO) establishment review - Miranda
<ol style="list-style-type: none"><li>1. Key policies and procedures were not up to date. Some policies and procedures were not in place or were not fit for purpose.</li><li>2. The annual budget was not approved or regularly reviewed by the management committee.</li><li>3. Purchase orders were not consistently used.</li><li>4. A bank mandate was not available for one bank account. Bank reconciliations were not subject to secondary review.</li></ol>	

**APPENDIX ENDS**