

Internal Audit

School's Committee Summaries



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Context

As part of Lancashire County Council's 2022/23 internal audit plan, the Internal Audit Service Audited 15 schools across the county to obtain assurance over the design and operation of asset management controls. This report summarises the key findings for five schools in which the audits have been fully completed. The remaining ten audits are currently being progressed and are nearing completion. The results of these will be reported to the next meeting of the Audit Risk and Governance Committee. A further report outlining best practices found during the audit will be published later this year on the school's Portal in order to share learning with all schools across the County.

Scope of Audit

In these audits we have reviewed and tested the adequacy and effectiveness of the controls and processes established by management to mitigate the key risks relating to the following areas:

- Policies and procedures.
- Asset registers.
- Disposal of assets.
- Insurance and security.

Brookfield School				
Overall assurance rating	Audit findings requiring action			
 Substantial	Extreme	High	Medium	Low
	0	0	0	0
<p>Roles and responsibilities relating to asset management are defined in the school's asset management policy which was approved by the Governing Body in September 2022. Separate procedural guidance is not held, as the policy is relied on to provide guidance on the procedural tasks involved. The school's IT Manager is responsible for the maintenance of the asset register, and annual checks are undertaken by the Headteacher to provide sufficient separation of duties between responsibility for operational tasks and for oversight. The register contains sufficient information to identify assets, with details such as item type, location, condition and purchasing value. We confirmed that assets were accurately recorded on the register. Obsolete assets are recorded and prior approval for their disposal is obtained from the Governing Body on a termly basis.</p>				

School's Committee Summaries

Leyland Methodist Junior School

Overall assurance rating



Substantial

Audit findings requiring action

Extreme	High	Medium	Low
0	0	1	1

Roles and responsibilities relating to asset management are defined in the school's asset management policy and were approved by the Full Governing Body in September 2022. Separate procedural guidance is not held, as the policy is relied on to provide guidance on the procedural tasks involved.

The school has recently purchased asset management software and is currently in the process of transferring asset information from the previous register into the new system. The previous register continues to operate until this process is completed and staff are satisfied with the accuracy of data. Asset registers identify assets by item type, location and condition. Labels are being introduced in conjunction with the new asset management software and previously were identified by serial number for IT assets. One instance was found on the new software which incorrectly noted the location of a laptop and could not be found. This will be addressed in line with the transition between the two registers. Annual, complete asset register checks undertaken by a member of staff independent of the day-to-day maintenance of the register are not yet carried out.

Obsolete assets are recorded on the register and are approved for disposal or sale by the Headteacher, but approval is not sought from Governors.

School's Committee Summaries

Spring Hill Community Primary School- Accrington

Overall assurance rating



Limited

Audit findings requiring action

Extreme	High	Medium	Low
0	0	3	0

We acknowledge the recent work that has been put into establishing an appropriate policy framework for managing key assets which should, with some adjustment based on our comments, ensure the establishment of effective procedures in future. However, the assurance opinion reflects the fact that the framework is in its formative stage, and we are therefore unable to provide an opinion on it as operated. Roles and responsibilities relating to asset management are defined in the school's asset management policy, however this has not yet been approved by the Full Governing Body. Approval of the draft policy is on the Full Governing Body agenda at their next meeting.

The school is in the process of finalising their asset register following the appointment of the School Business Manager in September. IT assets are identified with supporting information for asset type, condition, value and status, but currently a location is not specified. Outstanding furnishing assets are still to be added to the register. The School Business Manager will be responsible for the maintenance of the asset register once completed. Whilst the school has not operated an asset register previously, the Headteacher has agreed to carry out annual checks from 2023 onwards. Obsolete assets are recorded on the register but proposals to dispose of individual items are not reported to Full Governing Body for approval.

School's Committee Summaries

St. Gregory's Catholic Primary School

Overall assurance rating



Moderate

Audit findings requiring action

Extreme	High	Medium	Low
0	0	2	0

Roles and responsibilities are defined in the school's asset management policy, however this has not yet been approved by the Full Governing Body. Approval of the draft policy is on the Full Governing Body's agenda for their next meeting. Separate procedural guidance has been produced following our audit which outlines key tasks, how they are carried out, how often and by whom. This will help support compliance with the policy in the event of unforeseen absence. The school's asset register was created in October 2022 and identifies assets by item type, location, value and condition. Whilst the school has not undertaken checks previously, annual checks will be carried out by a member of staff that is not involved in the day-to-day maintenance of the asset register from 2023 onwards.

Obsolete assets are recorded on the register and approved by the Headteacher but are not submitted to Governors for approval of disposal or sale.

School's Committee Summaries

Our Lady's Catholic High School

Overall assurance rating



Substantial

Audit findings requiring action

Extreme	High	Medium	Low
0	0	1	1

Roles and responsibilities relating to asset management are defined in the school's finance manual and were approved by the Finance and Premises Committee in February 2022. Procedural guidance for asset management is held for complete register checks and includes a brief outline for new assets and disposals, with the school referring to the policy for general understanding when seeking guidance. The school's IT Department are responsible for the maintenance of the asset register, however checks should also be undertaken by another officer to provide sufficient separation of duties. The register identifies assets by item type, location and condition. Labels are used for items on the register which include QR scanning codes to identify the record information on the register. In some instances, labels had been removed from items and asset register details were not accurate.

Obsolete assets are recorded and sign-off for their disposal is obtained from the Finance and Premises Committee on an annual basis.