

Update for members of the Standards & Audit Committee on the follow up of the 8 medium recommendations which were highlighted in the Head of Internal Audit Annual Report 2015/16 presented to the Committee on 14<sup>th</sup> June 2016.

Audit Area	Recommendation	Management Response	Update
Accounts Payable	It is recommended that invoices which should have a corresponding purchase order but do not have one are not processed until the order has been raised and approved appropriately. Staff are to be reminded that purchase orders need to be raised on the iProcurement system.	All supplier invoices are returned to the ordering department if the invoice does not have a PO number, the policy is no PO no pay. The only exceptions to this are those agreed by Sean Clark, which are predominantly payments to individuals such as refunds etc. We will draft an email to all requisitioners advising that orders should be raised prior to receiving goods or services, as opposed to retrospective. The %age of retrospective orders is monitored for manual invoices and reported to Senior Management as part of the BVPI08.	Actioned. An email reminder was sent to all requisitioners reminding them of the need to raise the order prior to receiving the goods or services. In addition, regular reminders are sent to all budget holders (weekly or 2 weekly) identifying all purchase orders where the invoice is on hold as a receipt has not been entered onto the system.
Adult Social Care Expenditure	Regular reconciliation of ContrOCC data to the General Ledger should be reinstated to ensure that the two systems agree and accurately reflect expenditure for adult social care.	The process has already been started to reconcile the two systems back to April and going forward this will be a monthly exercise carried out by Corporate Finance.	Actioned.
Arthur Bugler Primary School	In accordance with the Fin Regs all orders over £5k must be approved by a Governor in addition to the	Agreed	Response received 14/09/16 from the Headteacher – This is now

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	Headteacher. All purchase orders must be raised in the first instance, before goods are received to ensure management information reports are up to date.		in place.
	It is recommended that all portable and valuable IT equipment be locked in a secure location overnight. Whilst leaving them out would not invalidate the insurance, if they are in plain view it could increase the risk of theft.	The school will look into purchasing a lock-up cabinet	Response received 14/09/16 from the Headteacher - We have purchased a cabinet which is located in the ICT suite.
	Forms must be completed for all claims and must be clear. They should be checked by the Headteacher, to ensure correct payments are made before submission to Essex County Council. Any forms handed to the office staff that are unclear, should be handed back to the claimant to re-do, without any crossings out. This will help reduce the likelihood of error.	Agreed	Response received 14/09/16 from the Headteacher – Now fully in place.
Bonnygate Primary School – Follow up	The recommendation was around the need to update the school's Financial Regulations to reflect the current arrangements within the school.	This has been deferred as the school is in the process of looking at becoming an academy so a new set of regulations will be needed at that time.	If the school do not become an academy by April 2017, the regulations will be updated as part of the budget planning process. This will need to be followed up at that stage.

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Horndon-on-the-Hill Primary School	Letters need to be sent out to parents as soon as they start to get in arrears on paying their child's dinner money. If necessary, when the arrears reach £10, the parents should be asked to supply sandwiches until the debt is repaid. This will reduce the likelihood of arrears escalating further.	Agreed	Response received 12/09/16 from School Administration Officer - I can confirm your recommendations have been adhered to. Dinner letters are sent out monthly and should there be a debt on the child's account, children need to bring sandwiches.
Orsett Primary School	To ensure appropriate authorisation of expenditure is taking place, all items must be supported by an official authorised order before the purchase is made This will ensure management reports are kept up to date and accurately reflect the school's financial position.	Staff will be informed to make sure the office are aware of items being ordered.	Response received 01/09/16 from the Headteacher - Please be assured that the recommendation regarding the authorising of expenditure is in place before a purchase is made.