



WALSALL COUNCIL

INTERNAL AUDIT PROGRESS REPORT

Audit Committee – 27th February 2017

Status of our reports

This report ("Report") was prepared by Mazars LLP at the request of Walsall Council and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of Walsall Council and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix 5 of this report for further information about responsibilities, limitations and confidentiality.

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Introduction

This progress report to the Audit Committee covers the work carried out during the period April 1st 2016 to 31st January 2017 by Mazars Public Sector Internal Audit Limited.

Appendix 1 outlines progress to date against the 2016/17 Internal Audit Plan.

Background

The purpose of the internal audit plan is to identify the work required to achieve a reasonable level of assurance to be provided by Mazars LLP in compliance with the Code of Practice for Internal Audit.

The fundamental role of Internal Audit is to provide senior management and Members with independent assurance on the adequacy, effectiveness and efficiency of the system of internal control, and to report major weaknesses together with recommendations for improvement. This role is fulfilled by carrying out appropriate audit work, normally in accordance with a strategic plan and an annual operational plan, as approved by the Chief Finance Officer and the Audit Committee.

As internal audit is a major source of assurance that the Council is effectively managing the principal risks to the achievement of its corporate objectives, a key rationale for the development of the internal audit plan was the Council's own Corporate and Directorate Risk Registers and how the internal audit plan can provide this assurance.

Progress to Date

Audit fieldwork on the 2016/17 Internal Audit Plan has progressed well and progress against the Plan is shown in Appendix 1.

We have issued the following Final reports since the last meeting of the Audit Committee.

- Abbey Primary School (Evaluation assurance: **Limited**. Testing assurance: **Substantial**)
- Blue Coat Federation (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)
- Brownhills West Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)
- Castlefort Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)
- Code of Conduct for Operational PFI/PPP Contracts (Evaluation assurance: **Good**. Testing assurance: **Substantial**)
- Facilities Management (Evaluation assurance: **Limited**. Testing assurance: **Limited**)
- Little Bloxwich Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Limited**)
- Pheasey Park Farm Children's Centre (Evaluation assurance: **Substantial**. Testing assurance: **Limited**)
- St Bernadettes Catholic Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)
- St Marys of the Angels Catholic Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)
- Troubled Families (Evaluation assurance: **Limited**. Testing assurance: **Substantial**)
- Whetstone Field Primary School (Evaluation assurance: **Substantial**. Testing assurance: **Substantial**)

We have issued the following Draft Reports for which we are awaiting the final management responses before issuing the Final Report:

- Homelessness
- Short Heath Federation
- Town and District Centre Markets

Follow-up of Recommendations

2015/16 and 2016/17

The table below highlights the number of recommendations raised in the audit reports for 2015/16 and 2016/17. It should be noted that progress in implementing recommendations raised is due for follow up as part of the 2016/17 audit plan, and summary of findings to date is shown in the table below:





Year	Total Recommendations	Implemented and no longer relevant	%	Implemented, no longer relevant or partly implemented	%
2015/16	452	406	90%	421	93%
2016/17	237	148	62%	148	62%

Appendix 4 provides a summary of the status of all 2015/16 and 2016/17 recommendations where the proposed implementation date was at or before 31st January 2017.

Definition of Assurance & Priorities

Audit assessment

In order to provide management with an assessment of the adequacy and effectiveness of their systems of internal control, the following definitions are used:

Level	Symbol	Evaluation Assessment	Testing Assessment
Good		There is a sound system of internal control designed to achieve the system objectives.	The controls are being consistently applied.
Substantial		Whilst there is a basically sound system of internal control design, there are weaknesses in design which may place some of the system objectives at risk.	There is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited		Weaknesses in the system of internal control design are such as to put the system objectives at risk.	The level of non-compliance puts the system objectives at risk.
Nil		Control is generally weak leaving the system open to significant error or abuse.	Significant non-compliance with basic controls leaves the system open to error or abuse.

The assessment gradings provided here are not comparable with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Audit and Assurance Standards Board and as such the grading of 'Good' does not imply that there are no risks to the stated control objectives.

Grading of recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows:

Level	Definition
Priority 1	Recommendations which are fundamental to the system and upon which the organisation should take immediate action.
Priority 2	Recommendations which, although not fundamental to the system, provide scope for improvements to be made.
Priority 3	Recommendations concerning issues which are considered to be of a minor nature, but which nevertheless need to be addressed.

Priority 1 Recommendations

We have raised one Priority 1 recommendation in the final reports issued since the last Audit Committee meeting. This Priority 1 recommendation was raised in the Troubled Families report, and was as follows:

Recommendation: The Troubled Families Team should ensure that Looked After Children Data is included when compiling future claims, and families listed with LAC are excluded from grant claims.

Appendix 1 – Status of Audit Work 2016/17

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
Core Financial Systems	Main Accounting	Covering adequacy and effectiveness of controls including access control, journals, virements, etc. CRSA to be applied.	10	0.5	Q4	Scope issued						
	Treasury Management, Cash & Bank	Covering adequacy and effectiveness of controls over investments, loans, management information, etc. CRSA to be applied.	10	0.5	Q4	Scope issued						
	Accounts Receivable	Covering adequacy and effectiveness of controls over the Accounts Receivable system. CRSA to be applied.	10	9	Q3	Fieldwork completed						
	Accounts Payable	Covering adequacy and effectiveness of controls over the payment of creditor invoices. CRSA to be applied.	10	9	Q3	Fieldwork completed						
	Budgetary Control	To cover strategic approach to co-ordinating budgetary control, monitoring and reporting, and also testing a sample of departments.	10		Q4	Scope Issued						
	Council Tax	Covering adequacy and effectiveness of controls including liabilities, billing, cash collection, recovery and accounting. CRSA to be applied.	15		Q4	Work in progress						

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
	NNDR	Covering adequacy and effectiveness of controls including Business Rate Retention Scheme, liabilities, billing, cash collection, recovery and accounting. CRSA to be applied.	15		Q4	Work in progress						
	Housing Benefit & Local Council Tax Support	Covering adequacy and effectiveness of controls including new claims, size criteria, benefit caps, amendments, backdated benefits, payments and reconciliations. CRSA to be applied.	20	17	Q3	Fieldwork completed						
	Payroll and Pensions Administration	Covering adequacy and effectiveness of controls over starters, leavers, amendments, etc.	15	13	Q3	Fieldwork completed						
	Asset Management	Assurance over the design and application of controls relating to areas such as asset management strategy, capital accounting, partnership arrangements with voluntary sector / local community groups, etc.	10		Q4							
	Core Financial Systems Total			125	49							
Operational Risks	Change and Governance											
	Homelessness	Covering adequacy and effectiveness of controls over homelessness, including the approach to developing the Homelessness Prevention Strategy	15	14	Q2	Draft Report Issued						
	Human Resources	Covering adequacy and effectiveness of key controls over recruitment, workforce planning, sickness absence and training	15	5	Q4	Work in Progress						

Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
						Evaluation	Testing	1	2	3	
Economy and Environment											
Public Health Information Governance	To cover controls over handling, storing and sharing personal information, reporting data breaches and management reporting.	15		Q4							
Active Living Centres	Covering adequacy and effectiveness of key controls over project management arrangements.	10	9	Q2	Fieldwork completed						
Code of Conduct for Operational PFI/PPP Contracts	Covering the engagement with PFI/PPP partners to improve operational efficiency, and explore opportunities for cost reduction.	10	10	Q1	Final Report Issued	Good	Substantial	-	1	-	
Town and District Centres Markets	To cover controls over the operation of a sample of markets within the borough to ensure secure collection and maximisation of income.	10	9.5	Q2	Draft report issued						
CRC Energy Efficiency Scheme	Annual audit and sign off	10	10	Q2	Final report issued	Substantial	Limited	-	6	6	
Local Growth Fund	Annual audit and sign off	5	5	Q2	Completed	N/A					
Children's Services											
Troubled Families	Covering adequacy and effectiveness of controls in place over eligibility, payments and achievement of progress measures.	5	5	Q2	Final Report Issued	Substantial	Good	-	-	-	Sample testing to confirm September 2016 grant claim

Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
						Evaluation	Testing	1	2	3	
Troubled Families	Covering adequacy and effectiveness of controls in place over eligibility, payments and achievement of progress measures.	5	5	Q4	Final Report Issued	Limited	Substantial	1	3	1	Sample testing to confirm January 2017 grant claim
Adoption and Fostering	Covering controls in place to safeguard children being moved from care into adoption and fostering arrangements, and that appropriate contact arrangements are in place.	10	9	Q3	Fieldwork completed						
Residential Care	Covering controls in place regarding the quality and safety of children's residential care.	15	0.5	Q4	Scope issued						
Schools Improvement Service	To cover the effectiveness of the arrangements in place to support school improvement and to facilitate co-operation between schools.	10	0.5	Q4	Scope issued						
Multi-Agency Working (MASH)	Covering Children's Services	15		Q4							
Pheasey Park Farm Children's Centre	Covering governance and financial controls in place at the Children's Centre	5	5	Q2	Final Report Issued	Substantial	Limited	-	12	3	
Adult Social Care											
Deputyships and Appointeeships	To cover controls in place over expenditure and income received, and to ensure legal requirements are met and assets are safeguarded.	10	9.5	Q1	Draft Report Issued						

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
	Direct Payments and Personal Budgets	Covering controls over the eligibility assessment and monitoring of payments to ensure that vulnerable adults receive appropriate level of care (to include ILF transfers).	15	0.5	Q4	Scope issued						
	Community Alarms and Telecare Service	Covering controls over the service provided to vulnerable clients.	10	2	Q4	Work in progress						
	Community Capacity Grant	Annual audit and sign off	5	5	Q2	Completed	N/A					
	End to End Operating Model	Carried forward from 2015/16	10		Q4							
	Resource Allocation and Support Planning	Carried forward from 2015/16	10	0.5	Q4	Scope issued						
Operational Risks Total			215	105								
Strategic Risks	Procurement	Covering adequacy and effectiveness of the Council's corporate approach to procurement, including impact of new EU Procurement Directives.	25	0.5	Q2-Q4	Scoping meeting held						
	Contract Management	Covering adequacy and effectiveness of the Council's corporate approach to contract management.	25	0.5	Q2-Q4	Scoping meeting held						
	Facilities Management	Covering the controls in place over accommodation arrangements, security, cleaning and insurance.	15	15	Q2	Final report issued	Limited	Limited	-	13	2	

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
	Partnership Arrangements and Shared Services	Review the arrangements in place for joint strategic needs assessments and the changes in commissioning services.	20	0.5	Q3	Scoping meeting held						Request made by Head of Business Change to defer to 2017/18 due to service restructure.
	Performance Management	Covering adequacy and effectiveness of the Council's strategic approach to performance management (including management information, target setting, reporting, roles and responsibilities)	15		Q4							
Strategic Risks Total			100	16.5								
	Counter Fraud	Internal Audit will work with the Council in the development of a fraud risk register, the provision of fraud awareness training, pro-active fraud exercises and reactive investigations.	30	16	Q1-Q4							Attendance at Midlands Fraud Group and CIPFA Fraud presentation, NFI work, policies review
	Governance and Risk Management	The use of CRSA to provide assurance that managers understand their requirements and take ownership of their responsibilities. Risk Management Workshops for staff and Members.	30	14	Q1-Q4							ICT and CRR Risk Management session, CRR updates
	Continuous Auditing/Data Mining	Data analysis scripts will be written on which both identify anomalies as well as comparing the number of anomalies occurring on a period by period basis. Suggested areas of review are Payroll, Accounts Payable or Asset Management.	20		Q2-Q4							

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
	Benefit/Savings Realisation	To provide assurance that processes are in place to measure such initiatives.	20		Q3							
	CRSA	The use of CRSA to provide assurance that managers understand their requirements and take ownership of their responsibilities. To be utilised on a number of the core financials and will be issued prior to fieldwork and used to scope the audit.	15	10	Q3-Q4							
Governance, Fraud & other Assurance Methods			115	40								
ICT	Cyber Security	Information Risk Mgmt, Network Security, Secure Configuration, User Education and Awareness, Malware Prevention, Removable Media Controls, Managing User Privileges including 3rd party access, Incident Management, Monitoring and monitoring tools used and Home and Mobile Working.	10	9.5	Q3	Draft Report issued						
	The specific audits and scopes will be agreed with management	The specific audits and scopes will be agreed with management	30	3	Q4							
ICT total			40	12.5								
Other	Follow-up of Recommendations	Follow-up of all priority 1 and 2 recommendations made in final reports issued.	30	25	Q1-Q4							
	Management and Planning	Including attendance at Audit Committee	85	60	Q1-Q4							
Other total			115	85								

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
Schools	To provide the Chief Finance Officer with adequate assurance over standards of financial management and the regularity and probity of spend	To provide the Chief Finance Officer with adequate assurance over standards of financial management and the regularity and probity of spend	120	117.5								
Schools Total			120	117.5								
Plan Total			850	425.5								
Ad Hoc/Contingency		Contingency allocation to be utilised upon agreement of the Chief Finance Officer. -Completion of 15/16 audit work	70	10								
TOTAL			920	435.5								

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
Schools	County Bridge Primary School		5	5	Q1	Final Report Issued	Substantial	Substantial	-	4	10	
	Pool Hayes Primary School		5	5	Q1	Final Report Issued	Substantial	Substantial	-	4	12	
	Whitehall Infants School		5	5	Q1	Final Report Issued	Substantial	Substantial	-	6	9	
	Elmwood School		5	5	Q1	Final Report Issued	Good	Substantial	-	1	3	
	Delves Infants School		5	5	Q1	Final Report Issued	Good	Substantial	-	2	4	
	St Joseph's Catholic Primary School		5	5	Q1	Final Report Issued	Substantial	Substantial	-	3	2	
	St Anne's Catholic Primary School		5	5	Q1	Final Report Issued	Substantial	Substantial	-	5	9	
	St Francis Catholic Primary School		5	5	Q1	Final Report Issued	Good	Substantial	-	1	-	
	St Peter's Catholic Primary School		5	5	Q2	Final Report Issued	Substantial	Substantial	-	4	7	
	Rowley View Nursery		5	5	Q2	Final Report Issued	Substantial	Good	-	-	4	
	Whetstone Field Primary School		5	5	Q2	Final Report Issued	Substantial	Substantial	-	5	10	
	Castlefort Primary School		5	5	Q2	Final Report issued	Substantial	Substantial	-	1	7	
	Little Bloxwich CE Primary School		5	5	Q3	Final Report Issued	Substantial	Limited	-	9	7	
	St Francis of Assisi Catholic Technology College		5	4.5	Q2	Draft Report Issued						
	Abbey Primary School		5	5	Q3	Final Report Issued	Limited	Substantial	-	7	9	
	Short Heath Federation		15	14	Q3	Draft Report Issued						

	Area	Scope	Plan Days	Days Delivered	Start of Fieldwork	Status	Opinion		Recommendations			Comments
							Evaluation	Testing	1	2	3	
	Blue Coat Foundation		10	10	Q3	Final Report Issued	Substantial	Substantial	-	4	6	
	St Bernadette's Catholic Primary School		5	5	Q3	Final Report Issued	Substantial	Substantial	-	5	14	
	Brownhills West School		5	5	Q3	Final Report Issued	Substantial	Substantial	-	3	8	
	St Mary's of the Angels Catholic Primary School		5	5	Q3	Final Report Issued	Substantial	Substantial	-	4	6	
	Admin Time		5	4								
Schools total			120	117.5								

Appendix 2 – Summary of Final Reports

Brief outlines of the work carried out, a summary of our key findings raised and the assurance opinions given in respect of the final reports issued since the last meeting of the Audit Committee are provided in this section.

Our school audits considered the following areas of activity:

- Governance
- Financial Planning
- Budget Monitoring
- Procurement
- Financial Controls
- Income Controls
- Voluntary Funds
- Extended Activities
- Banking (including LMS Bank Account)
- Payroll
- Petty Cash
- Tax
- Assets and Security
- Insurance
- Information governance
- Arrangements are in place for the completion & submission of the SFVS self-assessment form by 31/03/17

Abbey Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Limited	Substantial

We have raised seven priority 2 recommendations where we believe there is scope for improvement within the control environment. Our findings were:

- Five governors had not yet provided evidence of their holding an Enhanced DBS certificate.
- There is not an established emergency & business continuity plan.
- Documented procedure notes are not in place.
- From examination of 10 orders / invoices it was found that in 5 cases the order and invoice had been signed by the same officer and in 2 cases an order had been raised after the invoice was received.
- There is only one officer involved with the collection and banking of income and income processes are in need of improvement.
- Monthly bank reconciliations of the school fund are not undertaken.
- There is no encryption on memory sticks used by the school.

Blue Coat Federation

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised four priority 2 recommendations where we believe there is scope for improvement within the control environment. Our findings were:

- One Governor has not provided evidence of their holding an Enhanced DBS certificate.
- Expenditure from the school fund is not always for the benefit of the children.
- Income is not always banking promptly resulting in the safe insurance limit being exceeded.
- Full details of disposals of equipment are not always recorded in the inventory.

Brownhills West Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised three priority 2 recommendations where we believe there is scope for improvement within the control environment. Our findings were:

- A governor had not yet provided evidence of their holding an Enhanced DBS certificate.
- The Resource committee terms of reference does not include details of the Head Teacher's delegated expenditure limit.
- A data sharing agreement with the appointed provider of financial services has not been considered.

Castlefort Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised one priority 2 recommendation where we believe there is scope for improvement within the control environment. Our finding was:

- A data sharing agreement with the appointed provider of financial services has not been considered.

Little Bloxwich Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Limited

We have raised eight priority 2 and eight priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- One Governor had not been provided evidence of their holding an Enhanced DBS Certificate.
- The school does not have a copy of the current bank mandate so is unaware of who is included as an authorised signatory.
- Cash collection and banking processes do not involve checks by two officers and are inconsistent.
- Cash is not always placed in the safe or banked promptly.
- Unencrypted data memory sticks are used to store pupil information.

St Bernadettes Catholic Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised five priority 2 and fourteen priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- There are no officers at the school with approval to authorise orders / invoices over £5,000.
- Orders and invoices are signed by the same officer.
- Bank reconciliations of the school fund are not undertaken.
- The cheque account bank reconciliation for October 2016 included an error which was not identified by the checking officer.
- A data sharing agreement with the appointed provider of financial services has not been considered.

St Marys of the Angels Catholic Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised four priority 2 and six priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- Two governors had not yet provided evidence of their holding an Enhanced DBS certificate.
- A summary of cash received each day is not completed.
- The safe insurance limit is insufficient.
- Cheque payments have been made for work undertaken by staff.

Whetstone Field Primary School

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Substantial

We have raised five priority 2 recommendations where we believe there is scope for improvement within the control environment. Our findings were:

- Declarations of business interests have not been completed by Governors since 2014.
- The School Development Plan had not been presented to Governors at the time of the audit.
- Procurement transactions were not always in accordance with the Financial Rules.
- Cash collection and banking processes do not involve checks by two officers.
- The current safe limit is regularly exceeded.

Code of Conduct for Operational PFI/PPP Contracts

The audit considered the following areas of activity:

- Code of Conduct for Operational PFI/PPP Contracts
- Engagement with Partners
- Efficiencies and Savings

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Good	Substantial

We have raised one priority 2 recommendation where we believe there is scope for improvement within the control environment. Our main findings were:

- We were unable to confirm that there is a designated single point of contact to represent the views of the public sector body for St Thomas More Catholic School.

Facilities Management

The audit considered the following areas of activity:

- Policies, Procedures & Legislation
- Income Targets & Budgeting
- Service Monitoring
- Risk Management

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Limited	Limited

We have raised thirteen priority 2 and two priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- Cash collected is not always checked by 2 members of staff.
- There are no pricing policies within Catering.
- There are no agreed targets to monitor performance.
- There is an operational risk register within Facilities Management.

Pheasey Park Farm Children's Centre

The audit considered the following areas of activity:

- Governance
- Financial Planning
- Budget Monitoring
- Procurement
- Financial Controls
- Income Controls
- Voluntary Funds
- Extended Activities
- Banking (including LMS Bank Account)
- Payroll
- Petty Cash
- Tax
- Assets and Security
- Insurance
- Information governance

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Substantial	Limited

We have raised twelve priority 2 and three priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- Cash collected is not checked and prepared for banking by two officers.
- The approved budget shows a deficit until 2019/20.
- Payroll reports are not checked and signed by two officers in all instances.
- A data sharing agreement with the providers of payroll and financial services has not been considered.

Troubled Families Grant

The overall objective of this audit was to provide assurance over the adequacy and effectiveness of the key controls relating to the Troubled Families programme

In summary, the scope covered the following areas: criteria for identifying Troubled Families, and testing a sample of families from the claim prior to submission to confirm the validity of the claim.

Our assessment in terms of the design of, and compliance with, the system of internal control covered is set out below:

Evaluation Assessment	Testing Assessment
Limited	Substantial

We have raised one priority 1, three priority 2 and one priority 3 recommendations where we believe there is scope for improvement within the control environment. Our main findings were:

- Looked After Children data should be removed from future claims.
- The process for gathering the claim cohort should be documented.
- The Troubled Families Outcome Plan should be reviewed.
- Data recorded on Mosaic and Links Families systems should be reviewed to ensure accuracy.

Appendix 3 – Summary of Unplanned/Irregularity Reports

Brief outlines of the work carried out, a summary of our key findings raised and the assurance opinions given (if applicable) in respect of unplanned/irregularity reports issued since the last meeting of the Audit Committee will be provided in this section.

No unplanned/irregularity work has been carried out to date for 2016/17

An update on progress of 2015/16 unplanned/irregularity work has been included in a separate report.

Appendix 4 - Follow-up of Recommendations 2015/16 and 2016/17

Follow-up audits have been undertaken in accordance with the 2016/17 audit plan. The objective was to confirm the extent to which the recommendations made in 2015/16 and 2016/17 internal audit final reports have been implemented.

Outstanding and Partly Implemented High Priority Recommendations from 2015/16

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
Jane Lane School April 2016	Limited	Reconciliations	Regular reconciliations between the accounting records and bank statements for the school's accounts are now undertaken and independently reviewed.		School Finance and Personnel Officer December 2016	Reconciliations now being undertaken - Implemented
		Income Collection	An accurate income record is now completed detailing date received, person receiving income and what/who income relates to. Income relating to the school fund is now banked intact.		School Finance and Personnel Officer December 2016	Income records now completed - Implemented
		Inventory Security Marking	All portable assets will be security marked to deter theft and to help identify equipment if stolen and found. An annual check of the inventory will be undertaken and evidenced by the signature(s) of the members of staff involved and the date completed.		Headteacher December 2016	Electronic system purchased and all equipment being entered and security marked - revised implementation date 31/3/17
		Inventory Update	Inventory items are now entered in the inventory record as soon as they are received.		Headteacher December 2016	Items now entered into inventory - Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
Residential Charging May 2016	Limited	Procurement	It will be ensured that the ongoing procurement process is finalised and new contracts commenced from 30 June 2016.		Dave Sheldon Interim Senior Procurement Officer 30 th June 2016 Revised 31 st Oct 2016	Superceded – A decision was taken by Executive Director Adult Social Care on 9 February following advice from Legal and Procurement that the procurement process for Residential and Nursing Care contracts that commenced in Summer 2015 should not be awarded. A new process will commence later in the year once a full review of requirements and contractual responsibilities has been undertaken
			Each service user will have a fully completed support plan which has been signed by all relevant parties. A copy of the support plan will be placed on Mosaic.		Jennie Pugh Group Manager – Assessment & Care Management Steve Nash - Team Manager / Mark Williams – Commissioning Development Officer 31 st July 2016	Implemented – Please see Mental Health Follow up

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			<p>A review of business processes and Mosaic recording is under review. This review will ensure there is clear recording in regards to:</p> <p>A funding request.</p> <p>The cost of placements being captured on the support plan.</p> <p>Evidence of budget approval.</p>		<p>Jennie Pugh Group Manager – Assessment & Care Management</p> <p>Mosaic Implementation Team 30th June 2016</p>	<p>Implemented - Following completion of process review, the revised care and support plan has a mandatory managers verification/authorisation for Group Manager to approve support plan budget/funding.</p> <p>In addition to the above if there is a spend to be authorised, a “Request” is sent to the Group manager for authorisation. All</p> <p>Note: when Mosaic Finance is implemented the directorates scheme of authorisation will be implemented for approving care package setup and supplier payments. Implemented October 16, but required further tuning.</p>
			<p>A review of the unpaid invoices will be undertaken and each case will be resolved to clear any outstanding payments and recovery of any client contributions due.</p>		<p>Nicky Devey Team Manager – Response Service</p> <p>Jennie Pugh Group Manager – Assessment & Care Management 30th June 2016</p>	Implemented
			<p>The issues raised at EDTM should be reviewed and action taken to address weaknesses identified.</p>		<p>Martin Thom Head of Community Care 31st Oct 2016</p>	<p>Implemented – Process has now improved with actions by IBPS</p>

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			A copy of the spreadsheet maintained will be provided to the Finance Team on a weekly basis. This will assist in ensuring that funding is being recovered for all relevant service users and that spreadsheets maintained include the same data.		Nicky Devey Team Manager – Response Service 30 th June 2016	Implemented - The spreadsheet for LDCHC is maintained by Finance only as it is a pooled budget.
			It should be ensured that the issue of having to manually calculate budget monitoring reports is addressed as part of the implementation of Mosaic Financials.		Mosaic Implementation Team 30 th Sept 2016 Revised November 2017	Partially Implemented – This requirement will be implemented as part of Phase 3 Finance implementation. Once all the services have been migrated from current source systems into Mosaic and the system is live budget monitoring will become an automated process and relevant reports will be developed to support the department. Revised November 2017
			Contracts will be awarded following cabinet approval regarding fee rates.		Tracy Simcox Lead Commissioning Officer 1 st July 2016 Revised 31/10/16 Rerevised June 2017	Not implemented - Advised that transitional contracts in place, but nothing awarded as waiting on procurement and legal. Should the process need to restart, revised deadline June 2017
			Outstanding financial assessments will be completed as soon as possible.		James Dalton Senior Officer – Integrated Business Processes 30 th June 2016	Implemented - Raised at team meeting April 2016. Additional resource support has been implemented as a temporary measure from December 2016.

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			<p>The exceptions identified will be investigated and rectified.</p> <p>All deferred payment agreements will be signed by all relevant parties promptly.</p>		Chris Buckard Income Team Manager	No longer relevant/Superceded
			<p>Details of the service users appearing to receive excessive periods of care within the financial year will be forwarded to the Charging and Payments Team for investigation.</p> <p>The Charging & Payments Team will ensure that the cases referred are investigated, including identifying reasons and implementing processes to ensure issues are rectified. The processes will be shared with colleagues in social care business support where relevant.</p>		<p>Mark Preston Senior Accountancy Officer</p> <p>James Dalton Senior Officer – Integrated Business Processes 30th June 2016</p>	Implemented
			<p>Investigations will be undertaken to determine whether a new client and care provider arrears report can be run on a monthly basis from NURRCIS. Any arrears identified will then be investigated and addressed.</p> <p>The reason for the 'red screen' not working properly will be established. All future discrepancies in client contributions / care provider payments will then be investigated and addressed as and when they arise.</p>		<p>James Dalton Senior Officer – Integrated Business Processes</p> <p>Bev Parslow Assistant Team Manager – Integrated Business Processes 30th Sept 2016</p>	No longer relevant/Superceded

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			<p>The exceptions identified in this audit report will be investigated and addressed promptly.</p> <p>Investigations will be undertaken to determine whether a new client and care provider arrears report can be run to identify how many clients and care providers are in payment arrears and how widespread this issue is. A process to address these issues promptly will then be established.</p>		<p>James Dalton Senior Officer – Integrated Business Processes 30th June 2016</p> <p>Bev Parslow Assistant Team Manager – Integrated Business Processes 30th Sept 2016</p>	Implemented
			<p>Investigations will be undertaken to determine whether a new client and care provider overpayments report can be run to identify how many clients and care providers have been overpaid and how widespread this issue is. A process to address these issues promptly will then be established.</p>		<p>Bev Parslow Assistant Team Manager – Integrated Business Processes 30th Sept 2016</p>	Implemented
			<p>Contract is now undertaken on a regular basis.</p> <p>It has been ensured that the new residential and nursing contracts include the provision for the new contract monitoring tool</p>		<p>Tracy Simcox Lead Commissioning Officer</p>	Implemented
			<p>Invoices are now paid promptly.</p> <p>Invoices held in storage will be easily accessible. The current storage situation will be reviewed including the viability of scanning invoices in the future.</p>		<p>Bev Parslow Assistant Team Manager – Integrated Business Processes 31st Dec 2016</p>	Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			The current storage situation will be reviewed including the viability of scanning invoices in the future.		Bev Parslow Assistant Team Manager – Integrated Business Processes 31 st Dec 2016	Implemented
			<p>All service users who are required to pay a client contribution will have a financial assessment undertaken promptly.</p> <p>Staff now ensure that information contained on NURRCIS is fully complete.</p> <p>Evidence to waiver top up costs will be documented in writing, appropriately approved and retained on file.</p>		<p>James Dalton Senior Officer – Integrated Business Processes 30th June 2016</p> <p>James Dalton Senior Officer – Integrated Business Processes 31st May 2016</p> <p>Jennie Pugh Group Manager – Assessment & Care Management 30th June 2016</p>	Implemented
			<p>All relevant paperwork will be held on the service users file.</p> <p>A checklist of documents will be produced to assist in this matter.</p>		James Dalton Senior Officer – Integrated Business Processes 31 st August 2016	Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			<p>The Care and Support Statutory Guidance has now been reviewed to ensure compliance in the calculation of client contributions.</p> <p>A copy of the guidelines is will be held in the team for reference purposes.</p>		James Dalton Senior Officer – Integrated Business Processes 30 th May 2016	Implemented
			Consideration will be given to introducing performance indicators within the Charging and Payments Team.		Debbie Roberts Senior Financial Admin & Support Officer 31 st July 2016	Implemented
			Procedure notes will be reviewed and updated. The contact officer, reviewing officer and review date will be included.		Bev Parslow Assistant Team Manager – Integrated Business Processes 31 st August 2016	Implemented
			<p>The quality assessment process has now been documented in a procedure note and includes information regarding how the assessment should be undertaken, areas of review, follow up and the process to raise any concerns identified.</p> <p>The procedure has been shared with staff and supported by appropriate training.</p>		Tracy Simcox Lead Commissioning Officer	Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
			<p>It will be ensured that WSS1010's are placed on the service user's file.</p> <p>It is now ensured that WSS1010's are fully completed and signed by all relevant parties.</p> <p>The WSS1010 has been updated and sent to all staff with a briefing note providing clear guidance.</p>		<p>James Dalton Senior Officer – Integrated Business Processes 31st August 2016</p> <p>Jennie Pugh Group Manager – Assessment & Care Management</p>	Implemented
			All invoices are now checked and verified prior to payment in all cases.		James Dalton Senior Officer – Integrated Business Processes	Implemented
			<p>The current storage situation will be reviewed including the viability of scanning invoices in the future.</p> <p>A filing system will be set up and invoices categorised and appropriately filed and archived.</p>		Bev Parslow Assistant Team Manager – Integrated Business Processes	Implemented
			Notification letters will be sent to the service user / care provider promptly following the completion of the financial assessment.		James Dalton Senior Officer – Integrated Business Processes 30 th June 2016	Implemented
			The reconciliations between the CCG list and the report from NURRCIS have now been brought up to date and are now reconciled promptly.		James Dalton Senior Officer – Integrated Business Processes	Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
Customer Engagement, Consultation and Complaint Management December 2015	Borderline Significant	Consultation Plans in Place	The Key Decisions document will be fully completed in terms of whether there is a consultation plan in place. Where there is no consultation plan in place, the reasons for this will be clearly stated in the pre-consultation column.		Manager of Corporate Performance Management Oct 2016 Revised April 2017	Not Implemented – With such limited resources in the team and having to prioritise service delivery there has been slippage but completing actions have been built into the work programme now as it is traditionally a quieter time for consultation.
		Monitoring of Consultation Activity	The enhanced 'Key Decisions' document will be used to capture and share key learning arising from consultation exercises.		Manager of Corporate Performance Management Oct 2016 Revised April 2017	Not Implemented – With such limited resources in the team and having to prioritise service delivery there has been slippage but completing actions have been built into the work programme now as it is traditionally a quieter time for consultation.
		Complaints	The roll out of the Mosaic system will include reviewing use of the complaints function. If it is decided to use this function, then this will be documented into a procedure, ensuring that the recording of the complaint is sufficiently detailed and consistent.		Manager of Corporate Performance Management Oct 2016	No Longer relevant/Superseded - Not appropriate given the channel shift programme. Reporting of complaints is still compliant therefore removal of this action.

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
Shared Lives May 2016	Borderline Significant	Carers Record Management	<p>In undertaking the recruitment of carers it is now ensured that:</p> <ul style="list-style-type: none"> ·A file checklist is complete. ·A pre-assessment meeting record is completed. ·A medical report is obtained. ·The assessment form is signed by all relevant parties. <p>All carers are included within the carers training spreadsheet.</p>		<p>Lead Reablement Officer</p> <p>Dec 2016</p>	Implemented
		Referrals and Placements	<p>It will be ensured that the following documents are completed and held on Mosaic:</p> <ul style="list-style-type: none"> ·referral to broker form ·support plan ·RAP checklist and the validation request case note detailing the funding approval <p>It will be ensured that the following documents are completed and held on Mosaic / the service user file:</p> <ul style="list-style-type: none"> ·fully completed and signed service user plan ·risk assessment ·fully completed and signed placement agreement ·license agreement ·6 week review. 		<p>Group Manager - Learning Disability</p> <p>Dec 2016</p> <p>Revised April 2017</p>	<p>Work in Progress -</p> <p>Forms are not accessible via MOSAIC, however we continue to liaise with the MOSAIC team, who are prioritising Shared Lives. Revised Implementation Date April 2017</p>

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
		Payments to Carers	It will be ensured that: Evidence that the funding has been approved is held on Mosaic. Support plans are held on Mosaic. Officers will liaise with brokerage regarding differences in payments being made for day care and overnight stays to ensure that they are in accordance with the Social Care Community Based Contributions Policy.		Group Manager - Learning Disability Dec 2016 Revised July 2017	Work in Progress - The Scheme to continue to liaise with the social workers to ensure that Support plans are complete . Bench marking with other schemes re payments. Advice sought from Shared Lives Plus. Walsall Council Charging policy is due to go cabinet and following this, there will be a "deep dive" by the lead integrated team commissioner. Revised date July 2017
Adult Safeguarding November 2015	Borderline Significant	Completion of case documentation including risk assessments and protection plans	Synopsis of case audit findings will be completed, agreed with audit and shared at AACM manager meeting.		Team Manager - Safeguarding Adults Complex Case Management and Service Manager – Reablement Sept 2016	Implemented - Synopsis of case audit findings were agreed with audit and shared at AACM Managers Meeting
		Safeguarding Alerts	Historical safeguarding alerts will be promptly reviewed to identify the outcome of the case, the manager's decision will be clearly recorded and cases will be closed where appropriate.		Service Manager – Reablement Sept 2016	Work In Progress - Work has continued to resolve this issue with a number of historic safeguarding alerts being reviewed and closed. There still however remains a number of outstanding cases which continue to be progressed. Suggested revised target date 31/03/17

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
		Procurement	The mental health assessment service will be reviewed and subject to a competitive tendering exercise.		Interim Head of Service for Community Care September 2016	Implemented – The service specification and policy in procuring Mental Health Assessors (doctors) has been completed by Commissioners and checked by the Procurement. Requested inputs from Legal Service (Commercial) which at the final stage prior to tender out which is expected to be happened in mid-Feb 2017.
		Closure of Adult Protection cases	Review and authorisation of closure of all adult safeguarding cases will be evidenced and retained on Mosaic.		Service Manager – Reablement September 2016	Implemented – Closure of safeguarding cases is built into Mosaic
St Thomas of Canterbury Catholic Primary School March 2016	Borderline Significant	Bank Account Mandate and Cheque Signatories	Due to a number of ongoing issues with Santander changing their paying in method and the school not receiving information requested to apply for a paying in card, steps have been taken to change business banking to Barclays. It will be ensured that 2 signatories are required to sign a cheque.		Headteacher December 2016	New bank account now opened - Implemented
			A record sheet is now maintained for all cash collected. Two members of staff are now involved in the recording and banking of income. Receipts are now issued for school fund income in excess of £5.		Headteacher December 2016	Income records now maintained - Implemented
			Cash will be banked on a regular basis to ensure that the safe insurance limit is not exceeded.		Headteacher December 2016	Cash banked regularly - Implemented

Audit/Report Date	Assurance	Recommendations	Management Response	Status	Responsibility and Due Date	Update Position
		Reconciliations	Reconciliations and bank statements are now signed and dated by the members of staff preparing and reviewing them to evidence that the appropriate checks have been carried out.		Headteacher December 2016	Reconciliations now undertaken - Implemented
		School Development Plans	Future school development plans will cover a three year period and include long term financial plans and timescales / deadlines beyond the current year. The plan will be approved by the governing body.		Headteacher December 2016	School development plan in place - Implemented
Bank Account Reconciliations November 2015	Significant	Bank Account Controls and Training	The review of all Council bank accounts and delivery of account training will be prioritised to allow a review schedule to be formulated and implemented.		Accountancy Officer / Treasury Management Officer Dec 2016	Not implemented Revised Implementation April 2017
Bereavement and Registration Services September 2015	Significant	Joint Working Arrangements	Joint working arrangements with the Walsall Healthcare NHS Trust and the Register Office will be documented detailing the responsibilities of each party.		Superintendent Registrar Mar 2017	Not Yet Due
Blakenall Heath Junior School January 2016	Significant	Audit of accounts	The current bank account will be audited as soon as possible after the closure of the financial period. An auditor's statement will be presented to the governing body within 3 months.		School Business Manager Oct 2016	Account audited and due to be presented to governors on 21/3/17 – Partially implemented

The table below provides a summary of the status of 2015/16 recommendations that have not been reported as implemented at previous Audit Committee meetings.

Audit/Report Date	Assurance Level	Raised	Implemented	Partly Implemented			Outstanding			No longer relevant	Original Due Date	Revised Due Date	Not yet due
				1	2	3	1	2	3				
Solihull Framework June 2016	Limited	11	8								Oct 2016	Jan/Mar 2017	3
Jane Lane School April 2016	Limited	31	29				1			1	Oct 2016	Mar 2017	
ICT Risk Management June 2016	Limited	6	6								Dec 2016		
Residential Charging May 2016	Limited	30	20	1			1			8	Dec 2016	Nov 2017	
Social Media June 2016	Limited	11	0								Mar 2017		11
Adult Safeguarding November 2015	Borderline Significant	24	21	1						2	Sept 2016	March 2017	
Customer engagement, consultation and complaint management December 2015	Borderline Significant	30	19		2		2	5	1	1	Mar 2016	Oct 2016 Apr 2017	
Shared Lives May 2016	Borderline Significant	10	7	1	1		1				Jun 2016	Dec 2016 Jul 2017	

Audit/Report Date	Assurance Level	Raised	Implemented	Partly Implemented			Outstanding			No longer relevant	Original Due Date	Revised Due Date	Not yet due
				1	2	3	1	2	3				
Cloud Computing June 2016	Borderline Significant	4	0							1	Jun 2017	Mar 2018	3
Green Spaces January 2016	Significant	9	8		1						Jan 2016	On hold due to decision not to update software in this financial year.	
Better Care Fund May 2016	Significant	2	1					1			Sep 2016	Apr 2017	
Blakenall Heath Junior January 2016	Significant	13	12	1							Sep 2016	Mar 2017	
Bank Account Reconciliations November 2015	Significant	11	7	1	2					1	Jan 2016	Apr 2017	
Stroud Avenue Family Centre Follow Up March 2016	Significant	1	0								Jun 2016	Jan 2017	1
Bereavement & Registration (including Coroner) September 2015	Significant	14	12	1	1						Mar 2016	Mar 2017	
		221	165	8	7	0	6	6	0	11			18

Fully implemented 2015/16 audit reports

Title	Assurance Level	Raised	Implemented	No Longer Relevant
Capital Accounting	Significant	5	5	
Capital Programming	Significant	2	2	
Cash and Bank	Significant	2	2	
Nominal Ledger	Significant	1	1	
Treasury Management	Significant	2	2	
Troubled Families Grant January 2016 Claim	Significant	1	1	
Community Capacity Grant	Significant	1	1	
Autism Innovation Capital Grant	Significant	1	1	
Personal Budgets inc Direct Payments	Limited Progress	16	16	
Looked After Children Follow Up	Significant	5	5	
Schools Property Maintenance Follow Up	Significant	3	3	
Asset Management Follow Up	Limited Progress	6	6	
Growth Deal	Significant	4	4	
Corporate Risk 3b	Significant	3	3	
Payroll Follow Up	Significant	8	8	
Corporate Risk 3a	Significant	6	6	
Accounts Payable Follow Up	Significant	12	12	
Corporate Risk 9	Significant	5	5	
Leamore Primary School	Significant	12	12	

Title	Assurance Level	Raised	Implemented	No Longer Relevant
Phoenix School	Significant	19	19	
Sunshine Infants & Nursery School	Significant	7	7	
Greenfield Primary School Follow Up	Significant Progress	1	1	
Carbon Reduction Commitment Efficiency Scheme (CRC)	Significant	11	7	4
St Thomas of Canterbury Catholic Primary School	Borderline Significant	22	21	1
Christchurch Primary School	Limited	36	36	
Software Licensing	Significant	7	7	
Council Tax / NNDR Follow Up	Significant	10	10	
Housing Benefit & Council Tax Reduction Follow Up	Significant	6	6	
Accommodation Services Follow Up	Significant	5	5	
Accounts Receivable Follow Up	Significant	10	10	
		229	224	5

The tables below provide a summary of the status of all 2016/17 recommendations where the proposed implementation date was at or before 31st January 2017 and have not been reported as implemented at the previous Audit Committee meeting.

Audit/Report Date	Assurance Level	Raised	Implemented	Partly Implemented			Outstanding			No longer relevant	Original Due Date	Revised Due Date	Not yet due
				1	2	3	1	2	3				
Delves Infant & Nursery School October 2016	Good / Substantial	6	4								Mar 2017		2
Elmwood School July 2016	Good / Substantial	4	1								May 2017		3
St Francis Catholic Primary School September 2016	Good / Substantial	1	1										
Rowley View Nursery September 2016	Substantial / Good	4	4										
Pool Hayes Primary School June 2016	Substantial/ Substantial	16	16										
St Annes Catholic Primary School October 2016	Substantial/ Substantial	14	6								Apr 2017		8
County Bridge Primary School July 2016	Substantial/ Substantial	14	12						2		Sep 2016	Apr 2017	
St Joseph's Catholic Primary School September 2016	Substantial/ Substantial	4	4										
Whitehall Nursery & Infant School	Substantial/	15	15										

Audit/Report Date	Assurance Level	Raised	Implemented	Partly Implemented			Outstanding			No longer relevant	Original Due Date	Revised Due Date	Not yet due
				1	2	3	1	2	3				
August 2016	Substantial												
St Peter's Catholic Primary School November 2016	Substantial/ Substantial	11	11										
Blue Coat Federation January 2017	Substantial/ Substantial	10	9								Feb 2017		1
Brownhills West Primary School January 2017	Substantial/ Substantial	11	9								Feb 2017		2
Castlefort Primary School January 2017	Substantial/ Substantial	8	7								Mar 2017		1
Whetsone Field Primary School January 2017	Substantial/ Substantial	15	11								Apr 2017		4
Little Bloxwich Primary School January 2017	Substantial/ Limited	16	12								Sep 2017		4
St Bernadettes Catholic Primary School February 2017	Substantial/ Substantial	19	12								Apr 2017		7
St Marys of the Angels Catholic Primary School February 2017	Substantial/ Substantial	10	4								May 2017		6
Abbey Primary School	Limited / Significant	16	7								Apr 2017		9

Audit/Report Date	Assurance Level	Raised	Implemented	Partly Implemented			Outstanding			No longer relevant	Original Due Date	Revised Due Date	Not yet due
				1	2	3	1	2	3				
January 2017													
Code of Conduct for Operational PFI/PPP Contracts	Good / Substantial	1	1										
January 2017													
Carbon Reduction Scheme	Substantial / Limited	12	1								Jul 2017		11
November 2016													
Facilities Management	Limited / Limited	15	1								Apr 2017		14
January 2017													
Pheasey Park Farm Children's Centre	Substantial / Limited	15	0								Awaiting appointment of new officers		15
January 2017													
		237	148						2				87

Appendix 5 - Statement of Responsibility

We take responsibility to Walsall Council 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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