

## Internal Scrutiny Report 2021-22

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**Academy: Chelmsford County High  
School**

**Review: March 2022**

## Executive Summary

This report provides assurance that adequate controls are in operation within the trust, based on the understanding that the information provided during the review is accurate and complete. It should be noted however that recommendations to improve controls, if implemented, cannot guarantee that fraud or misappropriation could not occur.

Recommendations raised in the report issued should be considered by the board of trustees / Audit and Risk Committee to assist them in providing assurance over the suitability of, and compliance with, the systems and operational controls in place.

No fraud was identified or reported to us for the 2021-22 period. It remains the responsibility: of management to manage the control environment to help identify potential fraud and prevent the likelihood of fraud occurring.

## Introduction

The Academy trust handbook section 3.1 specifies “all academy trusts **must** have a programme of internal scrutiny to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively”. Providing that the trust has selected a scope of work for financial and non-financial controls and has considered its risk register, this Internal Scrutiny Annual Report demonstrates how the trust meets the Academy trust handbook requirement for financial areas.

## Scope

The relevant board approved the below scope of work:

Income	Payroll
Review to determine the controls and process in place for income and, if applicable, testing to determine the effectiveness of the controls.	Review to determine the appropriateness and effectiveness of the controls and processes in place, around administration, approval, and segregation of duties in all areas of payroll processing.
Breakfast / Afterschool Club	Payroll process
Meals	Segregation of duties
Trips and activities	Financial regulations
Cash Income	Sample testing
Online income	Mileage and subsistence
Centralised MATS	Additional hours
Unresolved issues	Special payments
	Unresolved issues

## Individual recommendations Key:

**High Priority:** Trustees must review this recommendation as a priority.

**Medium Priority:** Internal controls should be strengthened to minimise risk.

**Low Priority:** Internal control could be strengthened in line with best practice, but little risk of material loss.

## Summary of Findings

### High Priority

Checks performed to verify items listed in the scope of work found no high priority findings.

### Medium Priority

Checks performed to verify items listed in the scope of work found no medium priority findings.

Low Priority			
Income			
Trips and activities	An income and expenditure summary had been completed for trips reviewed. The summary had not been signed as reviewed and approved by an appropriate delegated authority.	Income and expenditure summaries for all trips and visits should be signed as reviewed and approved by an appropriate delegated authority. This is to ensure that any deviations from the original estimates are understood and given consideration when making arrangements for future trips and visits.	
	Management Response:	Responsibility:	Due Date:
Payroll			
Mileage and subsistence	Mileage and subsistence claims are reimbursed by academy BACS.  N.B Agreed as part of finance regulations.	It is good practice that the reimbursement of mileage and subsistence claims is made to employees through the payroll to ensure transparency of payments that may have tax and national insurance implications	
	Management Response:	Responsibility:	Due Date:

## KEY CONTACTS

<b>Juniper Education Review Consultant</b>	Jean-Lila Hale
<b>Juniper Review Programme Manager</b>	Joanne Ward FCCA
<b>Information Provided by</b>	Business Manager and Senior Finance Officer
<b>Exit meeting attended by</b>	Business Manager and Senior Finance Officer
<b>Chair of trustees</b>	Stephen Kenneth Miles
<b>Principal / Headteacher</b>	Mr Stephen Lawlor
<b>Business Manager/ CFO</b>	Melissa Mulgrew
<b>Senior Finance Officer</b>	Fiona Gilmour
<b>Financial Accounting System</b>	PSF

## EMERGING ISSUES – 2022

### FINANCIAL HANDBOOK

The new Academy trust handbook has been released ready for implementation from September 2021. Trustees should ensure that they have read this document and noted any changes to ensure any new requirements are adhered to.

[https://assets.publishing.service.gov.uk/media/60c8d0318fa8f57ce8c4621e/Academy\\_trust\\_handbook\\_2021.pdf](https://assets.publishing.service.gov.uk/media/60c8d0318fa8f57ce8c4621e/Academy_trust_handbook_2021.pdf)

### CYBER SECURITY

Cyber security has continued to be a growing area of concern and risk over the past 18 months, with more people working remotely and an increased frequency of email hacking, phishing and malvertising. The July 2020 [governance update](#) advises that schools should include an assessment of cyber security within their risk registers, and the ESFA have produced further guidance and suggested questions that trustees can ask on the [National Cyber Security Centre website](#).