



## **Audit and Risk Management Committee of the Board of Governors of the Guildhall School of Music & Drama**

**Date:** MONDAY, 30 APRIL 2018

**Time:** 1.45 pm

**Venue:** COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

**Members:** Christina Coker O.B.E. (Chairman)  
Marianne Fredericks (Deputy Chairman)  
Neil Constable  
Graham Packham  
Vacancy

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**Lunch will be served in the Guildhall Club at 1pm**

**John Barradell  
Town Clerk and Chief Executive**

# AGENDA

**\*\*N.B. THE FIRST 15 MINUTES OF THIS MEETING WILL TAKE THE FORM OF AN 'IN CAMERA' SESSION WITH COMMITTEE MEMBERS, THE INTERNAL AUDITOR AND THE TOWN CLERK ONLY PRESENT\*\***

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **PUBLIC MINUTES**  
To agree the public minutes and summary of the meeting held on 31 January 2018.  

**For Decision**  
(Pages 1 - 8)
4. **OUTSTANDING ACTIONS**  
Report of the Town Clerk.  

**For Information**  
(Pages 9 - 10)
5. **INTERNAL AUDIT UPDATE**  
Report of the Head of Audit and Risk Management.  

**For Information**  
(Pages 11 - 24)
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE AUDIT & RISK MANAGEMENT COMMITTEE**
7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
8. **EXCLUSION OF THE PUBLIC**  
**MOTION** - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

## Part 2 - Non Public Agenda

9. **NON PUBLIC MINUTES**  
To agree the non-public minutes of the meeting held on 31 January 2018.  

**For Decision**  
(Pages 25 - 28)

10. **BARBICAN / GUILDHALL ALLIANCE**  
Report of the Vice Principal and Director of Guildhall Innovation.

*Item received too late for circulation in conjunction with the Agenda.*

**For Information**  
(Pages 29 - 40)

11. **INFRASTRUCTURE INVESTMENT**  
Report of the Director of Operations and Buildings.

*Item received too late for circulation in conjunction with the Agenda.*

**For Information**  
(Pages 41 - 44)

12. **RISK REGISTER**  
Report of the Principal.

*Item received too late for circulation in conjunction with the Agenda.*

**For Information**  
(Pages 45 - 80)

13. **FINANCE REVIEW**  
Report of the Principal. TO FOLLOW

14. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE  
AUDIT & RISK MANAGEMENT COMMITTEE**

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND  
WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE  
PUBLIC ARE EXCLUDED**

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## AUDIT AND RISK MANAGEMENT COMMITTEE OF THE BOARD OF GOVERNORS OF THE GUILDHALL SCHOOL OF MUSIC & DRAMA

Wednesday, 31 January 2018

Minutes of the meeting of the Audit and Risk Management Committee of the Board of Governors of the Guildhall School of Music & Drama held at Committee Room - 2nd Floor West Wing, Guildhall on Wednesday, 31 January 2018 at 11.30 am

### Present

#### Members:

Christina Coker O.B.E. (Chairman)	Alderman David Graves
Marianne Fredericks (Deputy Chairman)	Graham Packham
Neil Constable	

### In Attendance

Vivienne Littlechild

### Officers:

Lynne Williams	-	Principal, Guildhall School of Music and Drama
Sarah Wall	-	Chamberlain's Department
Pat Stothard	-	Head of Internal Audit and Risk Management
Martin Newton	-	Town Clerk's Department

### 1. IN CAMERA SESSION

The first 25 minutes of the meeting took the form of an 'in camera' session with only Members of the Committee, the Head of Audit and Risk Management and the Town Clerk present.

### 2. APOLOGIES

Apologies were received from Deputy John Bennett.

### 3. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

### 4. PUBLIC MINUTES

**RESOLVED** – That the public minutes of the meeting held on 8 November 2017 be approved.

### Matters Arising:

#### Additional Meeting

The Town Clerk undertook to inform Vivienne Littlechild of the date of the additional meeting of the Committee.

5. **PUBLIC MINUTES OF FINANCE AND RESOURCES COMMITTEE OF THE GUILDHALL SCHOOL OF MUSIC AND DRAMA**

The public minutes of the Finance and Resources Committee of the Guildhall School of Music and Drama held on 8 January 2018 were noted.

RECEIVED.

6. **OUTSTANDING ACTIONS**

The Committee considered a report of the Town Clerk on outstanding actions and it was noted that the dates of 3 and 4 should both read 08/11/17. The following matters were raised:-

Student Representative

Vivienne Littlechild reported that she hoped to arrange a firm date soon to meet with the student representative.

Development of IT Pedagogy fails to keep pace with competition

The Principal informed the meeting that this area could still be regarded as 'work in progress'.

Disaster Recovery and Cloud Backup

Noted that discussion on this matter would take place later in the meeting.

Risk Register

The Director of Operations and Buildings reported that appropriate documentation had been reviewed in line with the Guildhall School and Barbican 'Common Platform' approach, and also in consultation with the City of London, and that it was considered to be in line with best practice and training. However, he added that the next step was to check the operational detail, to ensure that 'what we say we do is indeed what we actually do' (quality assurance versus quality control). Therefore, it was noted that the scoring of such risk would remain higher until such assumptions had been fully checked and confirmed as implemented and completed by the operations team in consultation with the City of London.

RECEIVED.

7. **COMMITTEE TERMS OF REFERENCE**

The Committee considered the current terms of reference and the following matters were raised.

- The Principal said that it would be appropriate for the terms of reference to be updated to include the attendance at future meetings by the new Vice Principal, Director of Advancement on behalf of the Principal and Members also noted that revisions to wording were also needed to update required officer attendance.
- The Chairman stated that consideration should be given by the Board to more formal liaison with the Risk Committee of the Barbican Board with regard to the common platform.

**RESOLVED** – That the Board of Governors of the Guildhall School of Music and Drama be informed that the Committee considers that their terms of reference should be amended as set out below:-

“4. The Vice Principal, Director of Advancement on behalf of the Principal of the Guildhall School of Music & Drama, along with the Head of Finance and Business Administration (Chamberlain’s Department), the Head of Internal Audit and Risk Management (Chamberlain’s Department) and such other representatives of the Guildhall School of Music & Drama and the City of London Corporation as appropriate, shall normally attend or be represented at meetings.....

6. ...The external auditors or The Head of Internal Audit and Risk Management may request a meeting if they consider it necessary.”

#### 8. **INTERNAL AUDIT UPDATE REPORT**

The Committee considered the report of the Head of Internal Audit and Risk Management on the internal audit update and the following matters were raised.

- It was noted that the number of live amber priority recommendations had been reduced from ten to seven.
- The Head of Internal Audit and Risk Management undertook to circulate appendix 3 containing the live recommendation details.
- On the disaster recovery and cloud backup, the IT Network Manager reported that it is considered sufficient for the server information to be ‘dumped’ twice a day on weekdays to the cloud, with weekend cloud data backup taking place. It was noted that the weekend process takes around 22 hours to complete. Tape and master backup takes place with data replicated to a site across the road. The IT Network Manager informed the meeting that it was proposed to investigate moving the backup data from Barbican to the City of London Girls’ School with the cost of laying the required fibre optic cable expected to be in the region of £8,000. The Committee were informed that the City of London use the Microsoft cloud, whilst the Guildhall School use Amazon.

Discussion continued and a Member made the point that it would be possible for an adequate system to be in place that, although less than perfect ensured a sensible regime for data recovery, including appropriate testing to check the procedures.

A Member asked that the explained process be documented and the subject of a report to the next Committee meeting, including details of what testing takes place to ascertain if data is recoverable. The Member undertook to provide details of information for report back in a ‘bullet point’ form to the IT Network Manager.

- The Chairman noted that details of the 2018/19 Audit Plan and proposals to 2021 would be presented to the next meeting. The Principal confirmed that senior management team meetings would feed into that process with the next scheduled for mid-February.
- In response to a question from a Member regarding confirmation of FTE data and risk of funding 'clawback', the Principal confirmed that the report should state that the previous discrepancies in data 'could' have impacted upon funding, although it was not believed this was the case.
- Members were informed that summary audit outcomes on corporate waivers and tenders under £100,000 that relate to the School would be reported to a future meeting.
- The Principal undertook to confirm whether the audit for the Baxter Storey contract for the School included the catering services to the Barbican Centre Green Room and Artists Café (page 24 of agenda pack).
- The Head of Internal Audit and Risk Management said that the annual and strategic audit planning process had been delayed pending finalisation of the School's Strategic Plan. The Principal confirmed that the forthcoming 'away day' would provide further opportunity for discussion and updating Board Members on the Strategic Plan. She further stated that Jeremy Newton, new Vice Principal and Director of Advancement, would develop income and sponsorship initiatives.
- With regard to the income generation audit, currently indicated as carried forward to 2018/19, the Chairman suggested it might be more useful to conduct the audit in 2019/20 though planning might commence in 2018/19.
- Within the data quality audit, the Chairman requested the Head of Internal and Risk Management includes some reflection on managing types of work in a small organisation in respect of the appropriate level of controls. A Member commented that smaller organisations might have advantages in this area.
- The Head of Internal Audit and Risk Management confirmed that a comprehensive picture of the previous two years' audits and outcomes, along with information on the following three years, would be provided at the next meeting.

RECEIVED.

**9. RISK MANAGEMENT HEALTH CHECK - EXTERNAL REVIEW OF RISK MANAGEMENT IN THE CITY CORPORATION**

The Committee considered a report of the Head of Internal Audit and Risk Management on risk management health check – an external review of risk

management in the City of London Corporation. The following matters were raised:-

- The review's online survey was anonymous therefore it was not known which individuals did or did not respond. The School had not been involved in the review consultant's interviews.
- Risk management training (review recommendation) was being delivered. It was noted that, amongst others, senior officers at the Barbican and at the City of London Freemans School had received this.
- The Principal indicated a strengthening risk management culture in the School and confirmed that further training would be welcome, possibly in six months, and that this topic would remain with the senior management team for discussion. It was noted that the School would have a slightly different 'risk appetite' than the Corporation in areas such as safeguarding, but that there would not be significant differences. The Head of Internal Audit and Risk Management said that these issues required consideration and would need to be discussed at the Risk Management Group chaired by the Chamberlain.
- With reference to risk no. CR22 (page 32) – "Barbican fire safety risk" - a Member commented that fire safety and information security had been measured and found to be compliant. In response to a question from the Chairman on this, the Head of Internal Audit and Risk Management confirmed that this reference could be amended by agreement of the chief officer if it should reflect the common platform arrangements.
- The Head of Internal Audit and Risk Management then spoke about how risk becomes 'corporate' with examples of 'top down' and 'bottom up' generated risks, feeding through the process to the Summit Group and then the Corporation's Audit and Risk Management Committee. He confirmed that senior officers should identify risks that were 'Corporation wide'. The Principal put forward the view, agreed by the Director of Operations and Buildings, that the Barbican Centre and School working on the common platform was an example of this.
- It was noted that pertinent corporate risks/lead department should be indicated on the School's risk register. It was also noted that 'deep dive' reviews were part of the framework, giving opportunity for further scrutiny and challenge.
- The Head of Internal Audit and Risk Management would provide the Committee with a future paper on risk appetite and said that the risk or register would be amended to include an additional field in future on this.

RECEIVED.

10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE AUDIT & RISK MANAGEMENT COMMITTEE**

There were no questions.

11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no urgent items.

12. **EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for items 13 to 18 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

13. **NON PUBLIC MINUTES**

**RESOLVED** – That the non-public minutes of the meeting held on 8 November 2017 be approved, subject to an amendment.

14. **NON PUBLIC MINUTES OF THE FINANCE AND RESOURCES COMMITTEE OF THE GUILDHALL SCHOOL OF MUSIC AND DRAMA**

The non-public minutes of the Finance and Resources Committee meeting on 8 January 2018 were noted.

RECEIVED.

15. **ANNUAL TRANSPARENT APPROACH TO COSTING (TRAC) RETURN REPORTING FOR ACADEMIC YEAR 2016/17**

The Committee received the report of the Principal on the Annual Transparent Approach to Costing (TRAC) return reporting for the academic year 2016/17.

RECEIVED.

16. **SCHOOL RISK REGISTER**

With the agreement of the Chairman, the Committee considered a late report of the Principal on the school risk register.

RECEIVED.

17. **GUILDHALL SCHOOL FINANCE REVIEW 2017/18- PERIOD 8**

The Committee received the report of the Principal on the School finance review 2017/18, period 8.

RECEIVED.

18. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE AUDIT & RISK MANAGEMENT COMMITTEE**

There were no questions.

19. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no urgent items.

**The meeting ended at 1.30 pm**

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Chairman

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**Audit and Risk Management Committee of the Board of Governors of the Guildhall School of Music and Drama**

**Outstanding Actions Log**

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	21/07/17	<p><u>Development of IT Pedagogy fails to keep pace with competition</u> The Chairman noted that any risk associated with this area was now extremely low. She suggested that the Principal might wish to keep this under review, given that digital development forms part of the new Strategic Plan.</p>	Principal		January 2018 reported as 'work in progress'
2.	08/11/17	<p><u>Disaster Recovery Site: Cloud Backup</u> November 17 reported that full implementation had not yet been completed and that backing up was now taking place 5 days out of 7.</p> <p>January 18 reported that it is considered sufficient for the server information to be 'dumped' twice a day on weekdays to the cloud, with weekend cloud data backup taking place.</p>	Principal		Report to May 2018 meeting.

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
3.	08/11/17	<u>Risk Register</u> The current risk on 'Failure to Manage Health and Safety and to Comply with Statutory Requirements' remained at 'Extreme' impact – noted this was 'work in progress' that may be resolved by January 2018.	Principal		January 18, noted that documentation reviewed and considered in line with best practice and training. Operational detail to be checked to ensure quality assurance versus quality control. Noted that the scoring of such risk would remain higher until such assumptions had been fully checked and confirmed as implemented and completed.

<b>Committee:</b>	<b>Date:</b>
Audit and Risk Management Committee of the Board of Governors of the Guildhall School of Music and Drama	30 April 2018
<b>Subject:</b> Internal Audit Update Report	<b>Public</b>
<b>Report of:</b> Head of Internal Audit and Risk Management	<b>For Information</b>

## Summary

This report provides an update on Internal Audit activity undertaken at the Guildhall School since the last report made in January 2018.

Delivery of 2017-18 planned audits is in progress and the plan status is outlined at **Appendix 1**. Details of Internal Audit work undertaken in 2016-17 are also shown in **Appendix 2** to provide an overview of audit coverage over two years, as requested at the January 2018 meeting of this Committee.

Draft reports for the audits of Data Quality and Catering (including Student Bar) have been issued. Liaison is ongoing between Internal Audit and Guildhall School management to inform development of the terms of reference for the planned audit of Student Support to ensure plan completion.

At the time of the last Committee in January 2018 there were seven live amber priority recommendations and no live red priority recommendations. As at mid-April 2018 there remain seven live amber priority recommendations, two of which are due, as detailed at **Appendix 3**. There are no outstanding red priority recommendations.

The draft annual and strategic audit plan for 2018-19 and a statement of intent for the period to 31<sup>st</sup> March 2021 is attached as **Appendix 4**.

## Recommendation(s)

Members are asked to note the status of planned audit work for 2017-18, Internal Audit coverage in 2016-17, the live high priority recommendations position and the draft audit plan for 2018 to 2021.

## Main Report

### Background

1. This report provides an update on audit work progressed since 31 January 2018 Committee. The status of planned 2017-18 audits is outlined at Appendix 1. One audit is complete, two have been issued as draft reports and Internal Audit is liaising with Guildhall School management to agree the focus of the remaining

audit which has not been initiated. Two audits are to be carried forward to 2018/19, as previously notified to this Committee.

2. Recommendation follow-up enquiries have identified that, as at mid-April 2018, there are seven live amber priority recommendations for implementation by the School and no live red priority recommendations.
3. Development of the Internal Audit Plan 2018-2019 and a statement of intent for the period up to 31 March 2021 has been discussed with the School's Finance Manager, subject to sight of the finalised School's Strategic Plan. The view of the School's Senior Leadership Team has been sought but has not yet been received. The planning process will be discussed with the Audit & Risk Management Committee so that the Audit Plan can be agreed at the April 2018 meeting of this Committee.

### **Delivery of Internal Audit Work**

4. The status of the 2017-18 Audit Plan is outlined at **Appendix 1**. The audit of Sundial Court Lease Renewal is complete and the outcome has been reported previously to this Committee. Delivery of two audits - Data Quality and Catering (including Student Bar) – are complete to draft report stage. Two audits, Strategic Planning and Income Generation, are to be carried forward to 2018/19. Internal Audit consultation is underway with the School's management to agree the detailed scope of the planned audit of Student Support.
5. At the request of this Committee at its January 2018 meeting, summary outcomes in respect of 2016-17 Internal Audit work are shown at **Appendix 2**. This information has been included to help provide an overview of audit coverage (actual and future intentions) for the five-year period from 2016-17 to 2020-21.

### **Other Relevant Assurance Work**

6. Delivery of the plan of corporate and key systems reviews across the City's departments is on-going, providing assurance over a range of arrangements relevant to the Guildhall School. A number of draft reports have been circulated in respect of corporate audits and a summary of audit outcomes will be reported to this Committee once these audits have been finalised and will include the detail of any recommendations made directly in respect of the Guildhall School.

### **Implementation of Audit Recommendations**

7. As at mid-April 2018, there are no live red priority recommendations and recent follow up enquiries have identified no movement in the live recommendations position from the January 2018 meeting of this Committee. There are seven live high priority recommendations, one of which is due for implementation in April 2018 and the other is overdue at the time of reporting. Five amber priority recommendations are not yet due for implementation.

8. Live recommendation details are shown in **Appendix 3** and reflect both original target implementation dates and the latest revised data, where one exists. Internal Audit will continue to liaise with all recommendation owners to determine the progress of implementation of outstanding issues, closing down the recommendations upon receipt of appropriate evidence.

### **Internal Audit Plan 2018-2019 and proposals to 2021**

9. The Internal Audit Plan 2018-19 and audit proposals for the two following years must be aligned to the Guildhall School's Strategic Plan and, as a result, the planning process has taken place later in the year than has previously been the case. As requested by the Principal, the annual and strategic audit planning process was undertaken with the GSMD Group Accountant to develop the detailed audit plan for 2018-19 and a statement of intent for the period to 31st March 2021; however, there has been no opportunity afforded to Audit to discuss audit coverage in relation to the Strategic Plan and Risk Register with the Principal and Senior Leadership Team as would normally be expected.
10. The Audit Plan (Appendix 4) was prepared using a risk-focused approach and taking into account the public interest governance principles which are key components of the Office for Students (OfS) regulatory framework.

### **Conclusion**

11. Delivery of the 2017-18 Audit Plan is ongoing. One audit has been completed, two are issued as draft reports and consultation is underway in respect of the scope of the remaining audit.
12. There are no live red priority recommendations as at mid-April 2018 and there are seven live amber priority recommendations, five of which are not yet due for implementation. Internal Audit will continue to liaise with recommendation owners to determine the status of implementation, obtain evidence to close down recommendations and obtain revised target dates for implementation where appropriate, updating Members of this Committee accordingly.
13. The draft Annual Audit Plan for 2018-19 and proposed audit coverage for 2019-2021 has been prepared using a risk-focused approach.

### **Appendices**

Appendix 1 Internal Audit Plan Status 2017-18

Appendix 2 Internal Audit Schedule of Work 2016-17

Appendix 3 Live Amber Priority Recommendations

Appendix 4 Draft 2018/19 Audit Plan and proposed audit coverage for 2019-2021

Pat Stothard, Head of Audit and Risk Management

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## Status of Guildhall School Audit Plan 2017-18

Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<p><u>Sundial Court Project Governance</u></p> <p>The audit sought to ascertain the details of the governance framework within which accommodation project decisions were made and to provide assurance that adequate mechanisms were in place for the following:</p> <ul style="list-style-type: none"> <li>• A clear strategy for addressing student accommodation needs and an associated business case to support the decision to renew the lease;</li> <li>• Defined roles and responsibilities for the lease renewal project;</li> <li>• Transparent decision-making with appropriate authorisation / approval, and</li> <li>• Monitoring and scrutiny to ensure that risks were managed adequately and project objectives were met.</li> </ul>	Complete	Moderate	-	3	0	3
<p><u>Data Quality</u></p> <p>A high level audit to obtain assurance that adequate management controls are in place and operating effectively to ensure that the School meets its obligations in completing all Student Returns completely and accurately, submitting these to the relevant stakeholders in a timely manner.</p>	Draft Report	-	-	-	-	-

Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<u>Catering (including Student Bar)</u>  Examination of the arrangements for management of the catering and bar services contract with Baxter Storey Limited to ensure that services are delivered as per requirements and that appropriate financial monitoring controls are in place.	Draft Report	-	-	-	-	-
<u>Student Support</u> - Scope to be confirmed.	Planning	-	-	-	-	-
<b>GUILDHALL SCHOOL TOTAL</b>			-	<b>3</b>	<b>0</b>	<b>3</b>

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Assurance levels

Category	Definition
<b>Nil Assurance 'Dark Red'</b>	There are fundamental weaknesses in the control environment which jeopardise the achievement of system objectives and could lead to significant risk of error, fraud, loss or reputational damage being suffered.
<b>Limited Assurance 'Red'</b>	There are a number of significant control weaknesses and/or a lack of compliance which could put the achievement of system objectives at risk and result in error, fraud, loss or reputational damage.
<b>Moderate Assurance 'Amber'</b>	An adequate control framework is in place but there are weaknesses and/or a lack of compliance which may put some system objectives at risk.
<b>Substantial Assurance 'Green'</b>	There is a sound control environment with risks to system objectives being reasonably managed. Any deficiencies identified are not cause for major concern.

## Schedule of Internal Audit Projects informing the Guildhall School Annual Audit Opinion 2016-17

Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<p><b><u>Guildhall School Full Assurance Reviews</u></b></p> <p><u>Satellite Sites</u></p> <p>A review of governance arrangements and assessment of the adequacy of the control framework in respect of the satellite operations.</p>	Complete	Moderate	-	4	-	4
<p><u>Succession Planning, Talent Management and Staff Development</u></p> <p>The audit sought to provide assurance on the adequacy of the control framework for ensuring that strategic aims related to CYM satellite sites are delivered, including governance and management, key financial controls, and performance review and reporting where these are the responsibility of the Guildhall School.</p>	Complete	Moderate	-	2	4	6
<p><u>Sundial Court Project Governance</u></p> <p>The audit sought to ascertain the details of the governance framework within which accommodation project decisions were made and to provide assurance that adequate mechanisms were in place for the following:</p> <ul style="list-style-type: none"> <li>• A clear strategy for addressing student accommodation needs and an associated business case to support the decision to renew the lease;</li> <li>• Defined roles and responsibilities for the lease renewal project;</li> </ul>	Complete	Moderate	-	3	0	3

Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<ul style="list-style-type: none"> <li>Transparent decision-making with appropriate authorisation / approval, and</li> <li>Monitoring and scrutiny to ensure that risks were managed adequately and project objectives were met.</li> </ul>						
<b>GUILDHALL SCHOOL TOTAL</b>			-	9	4	13
Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<p><del>Corporate Full Assurance Reviews</del></p> <p>Corporate Project Management</p> <p>This audit sought to obtain assurance in respect of the mechanisms for ensuring that projects were being undertaken in accordance with the City's Project Management Procedures to:</p> <ul style="list-style-type: none"> <li>Confirm that projects were following the appropriate route through the gateway approval process, and</li> <li>Where appropriate, confirm that significant changes to project scope or increases in project budgets (once work has commenced on site) were being dealt with in accordance with the City's Project Management Procedure.</li> <li>In relation to sourcing works, the Contract Letting and Responsible Procurement requirements of the Procurement Code 2015 (or predecessor regulations, as appropriate) were being adhered to.</li> </ul>	Complete	Moderate	-	2	-	2

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Project	Status	Assurance Rating	Recommendations			
			Total Red	Total Amber	Total Green	Total
<u>Value Added Tax</u> The objectives of the audit were to provide assurance in respect of the City Corporation's arrangements for ensuring: <ul style="list-style-type: none"> <li>• Goods or services are provided effectively, efficiently and in accordance with legislative requirement as well as the City Corporation's Procurement and Contract Standing Orders;</li> <li>• VAT is correctly levied on goods and services provided by the City Corporation; and</li> <li>• Submission of regular, timely and accurate VAT returns to HMRC;</li> <li>• The City Corporation has protected its position in respect of common areas of claim or at least considered the opportunities</li> </ul>	Complete	Moderate	-	4	7	11
<b>CORPORATE TOTAL</b>			-	6	7	13

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## Live High Priority Recommendations for April 2018 A&amp;RMC of the Guildhall School

Audit	Issue	Outstanding Action	Original Target Date	Revised Target Date	Status
Strategic Information Technology Services (SITS)	Close proximity of live and DR sites	Rollout of daily (weekday) backups	Aug 2015	TBC	Partially Implemented
Satellite Sites	Strategic Plan	Development of full formal strategic plan for the satellite operations	Dec 2017	July 2018	Revised target date agreed
	Collaboration Agreements	Development of full formal collaboration agreements (MoUs) with partnership satellite sites	Oct 2017	July 2018	Partially Implemented – revised target date agreed for full implementation
	Reporting to the Board	Annual report is due in July 2018	July 2018	N/A	Not yet due
Succession Planning, Talent Management & Staff Development	Talent Management Strategy	Incorporation of a talent management strategy within the Professional Development Framework	Jan 2018	July 2018	Not yet due
	Workforce Plan	A workforce plan to be developed in line with the new Strategic Plan	April 2018	N/A	TBC
Sundial Court Project Governance (Lease Renewal)	Accommodation Strategy	Development of an accommodation strategy in line with the School's strategic aims	July 2018	N/A	Not yet due

In summary:

- Five recommendations not yet due
- One recommendation originally due for implementation this month, for which an update is required
- One overdue recommendation, for which an update is required

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**Internal Audit Plan 2018-19**

<b>Audit Title</b>	<b>Rationale</b>
Strategic Planning	This review has been carried forward from the 2016-17 plan. This would be undertaken post July 2018 and would consider the planning framework, arrangements for obtaining stakeholder input, SMART objectives and related KPIs, delivery monitoring, etc.
Income Generation	This review has been carried forward from the 2016-17 plan. Maximising income from grant funding, student fees and other income is a priority for the school. This review will look at the strategy use to ensure income is maximised and a sample of sources of income to ensure it is received in full.
Accommodation Strategy	Extended follow-up of the recommendations from the Sundial Court Project Management audit.
Budget Setting and Financial Management	Seek assurance on the robustness of both financial management (processes, procedures, and controls) and longer-term strategic financial planning (approach, systems, capabilities) in/for the School.
Enhanced Student Offer	The audit would look at the framework for evaluating the offer, consolidating things done well, highlighting opportunities for improvement, developing an action plan and arrangements for delivery and monitoring.

The audits undertaken will be dependent upon days required (to be evaluated and determined by Internal audit, subject to discussions with GSMD Management. Annual Plan is 50 days.

**Internal Audit 3 Year Strategy**

<b>Audit Title</b>	<b>2018-19</b>	<b>2019-20/2020-21</b>	<b>\Days</b>
Strategic Planning	✓		TBC
Income Generation	✓		TBC
Accommodation Strategy Extended FU	✓		TBC
Budget Setting and Financial Management	✓		TBC
Enhanced Student Offer	✓		TBC
Under 18s offer		✓	TBC
Common Platform		✓	TBC
Facilities Management and Maintenance		✓	TBC
Internationalisation		✓	TBC
Diversifying Funding/Fund Raising		✓	TBC
Fraud Risks Management		✓	TBC

## **Other Areas Where Third Party Assurance Could Be Sought**

Taught Degree Awarding Powers  
Asset Management and Register

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