

Schedule of Internal Audit Projects informing the Guildhall School Annual Audit Opinion 2018-19

Project	Assurance Rating	Recommendations			
		Total Red	Total Amber	Total Green	Total
<p><u>Guildhall School Full Assurance Reviews</u></p> <p><u>Student Affairs</u></p> <p>Deferred from 2017-18 in agreement with School management, this audit focused on examination of the arrangements in operation within Student Affairs for the following:</p> <ul style="list-style-type: none"> • Clear aims of service provision, linked to strategic goals, and measurable objectives • Performance monitoring to evaluate whether delivery outcomes are as intended • Management of any services provided under contract to ensure that specifications are met • Financial management – controls over payments to ensure that these are in line with contract / on the basis of goods or services received and monitoring to ensure that expenditure is in line with budget • Periodic review / benchmarking of service provision and consideration of alternative delivery models, where appropriate 	Moderate	0	10	0	10
<p><u>Strategic Planning</u></p> <p>An examination of the Guildhall School's strategic planning framework, including arrangements for stakeholder input, development of SMART objectives and related KPIs, delivery monitoring and on-going review. Audit testing sought to confirm operation of the following:</p>	Moderate	0	2	2	4

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<ul style="list-style-type: none"> • A strategic planning framework in operation which enables identification of long-term objectives and prioritisation of activities to achieve these; • Stakeholder engagement in Plan formulation and arrangements for communication of Plan developments, to promote buy-in; • Development of SMART objectives and related KPIs to facilitate evaluation of Plan delivery; • Monitoring implementation of the Strategic Plan through appropriate forums; and • Mechanisms for review and update of the Strategic Plan to ensure it remains relevant and up to date. 					
<p><u>Income Generation</u></p> <p>Maximising income from grant funding, student fees and other income is a priority for the School and this audit looked at the arrangements in place to seek opportunities to maximise income, secure sustainable sources of income and fully receive the income due. Audit testing focused on arrangements in operation for the following:</p> <ul style="list-style-type: none"> • There is a defined strategy in place which sets out how the GSMD is to maximise its income. • The income strategy in use supports the organisational ethos and is in accordance with the risk appetite. • There are plans in place to seek opportunities for new income sources and to expand current income streams. • The School's capacity and resource utilisation are reviewed regularly to identify opportunities for new income generating activities. • Professional advice is sought and acted upon to ensure that the School fully utilises financial support and incentives available as an Office for Student (OfS) registered provider. 	Moderate	0	3	0	3

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<u>Academic Programme Development</u> This audit, undertaken in two phases, sought assurance that adequate arrangements are in place in respect of the areas set out below: <ul style="list-style-type: none"> • A framework is in place which enables evaluation of the student programme offer - identification of potential new courses and elimination of existing ones where low enrolment is identified – ensuring it remains relevant and in line with the School’s Strategic vision and objectives. • Processes for developing new courses, including evaluation of financial viability. • Stakeholder engagement in Programme formulation and arrangements for communicating changes. • Performance monitoring, incorporating periodic review, to evaluate whether delivery outcomes are as intended. 	Substantial	0	0	0	0
School Audits Sub-total		0	15	2	17
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<u>Corporate Full Assurance Reviews</u> <u>GDPR Readiness</u> The objective of the review was to provide an opinion on the CoL’s GDPR Project Plan and data privacy governance taking into account the implementation in progress, through:	Limited	2	0	5	7

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<ul style="list-style-type: none"> • Assessment of plans in place to address GDPR, including identifying responsibility for ensuring that all areas are covered and no gaps are left leading up to the implementation of the new rules; • Overview of the main areas of risk in relation to the new GDPR regulation; and • Assessment of general awareness amongst staff in relation to the new regulation. 					
<p><u>Suppliers Financial Health and Resilience</u></p> <p>Prior to letting supply, service and works contracts, the Chamberlain's department Financial Services Division (Corporate Treasury Team, Research and Technical function) evaluates the financial standing of prospective contractors through analysis of their financial statements, on behalf of City Procurement. Appraisals are carried out where the projected spend is expected to be in excess of the Official Journal of the European Union (OJEU) procurement threshold. Appraisals may also be carried out in respect of other prospective contractors, where City Procurement have identified concerns.</p> <p>The purpose of the audit was to assess the adequacy of arrangements in relation to:</p> <ul style="list-style-type: none"> • Monitoring external supplier's financial health and resilience; • Implementing appropriate actions, where suppliers are deemed to be experiencing financial difficulties, placing their continued operation at risk; and • Reporting to Senior Management and Members on supplier financial health. 	Moderate	0	6	2	8

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<p><u>Commercial Manager Scorecard Procedures</u></p> <p>The Corporate Supplier Performance Scorecard regime assesses performance in relation to ten corporate measures on an annual basis; the measures assess supplier performance in key areas including but not limited to compliance with corporate policies, performance against contract Key Performance Indicators (KPIs), and the effectiveness of risk management systems. A Scoring and Reporting tracker is in place to manage the timeliness of this activity.</p> <p>The purpose of the audit was to assess the adequacy of arrangements in relation to:</p> <ul style="list-style-type: none"> • Determining an appropriate methodology for producing supplier scorecards; • Compiling supplier scorecards on a timely basis; • Determining and implementing appropriate actions, to address supplier performance issues; and • Reporting on supplier scorecards to Senior Management and Members. 	Moderate	0	6	4	10
<p><u>Programmed Repairs and Maintenance</u></p> <p>In March 2017, the Court of Common Council approved the award of two contracts for the supply of Building Repairs and Maintenance services to Skanska Construction UK Limited (Skanska). The contracts are for a five-year term (with an option to extend by a further 2 years), commencing July 2017 and cover the supply of the Mechanical and Electrical Maintenance and Building Fabric Repairs.</p> <p>The purpose of the audit was to obtain assurance over the adequacy of arrangements for:</p>	Moderate	1	2	1	4

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<ul style="list-style-type: none"> • Compiling accurate and complete asset registers and programmed maintenance schedules; • Ensuring full delivery of programmed maintenance schedules; • Ensuring the only valid contract variations, known as Compensation Events, in respect of asset additions and disposals are agreed with Skanska and are reflected within both contractual documentation and programmed maintenance schedules; and • Monitoring the relative proportions of programmed and reactive maintenance in order to maximise value for money. 					
<p><u>Payroll</u></p> <p>The objectives of this audit were to assess the adequacy of the arrangements in place in respect of the following:</p> <ul style="list-style-type: none"> • The controls in operation for the payment of staff are being adhered to; • Final payments to leavers are accurately calculated; • Payments and deductions are complete, accurate and properly authorised; • Payments in respect of deductions are subject to check and reconciliation before the monies are paid over; • Adequate access controls are maintained over the payroll system; • Payroll checks are completed in-line with agreed procedures before the payroll run is completed; • Monthly reconciliations are undertaken between the elements of pay and deductions, the General Ledger and the City's bank account; and • Management information is produced and is timely, accurate, relevant and sufficient for the needs of management. 	Moderate	0	1	3	4

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<u>Pensions Administration</u> The objectives of this audit were to assess the adequacy of the arrangements in place in respect of the following: <ul style="list-style-type: none"> • Staff act consistently in compliance with regulatory / legislative requirements and internal policies. • There is on-going assurance that the City have adequate and up-to-date service continuity provision. • Pension starter, leaver and amendment forms are appropriately captured on the system in a timely manner. • Transfers in and out payments are correctly calculated and authorised prior to being processed. • Only valid and accurate pension payments are made to pensioners and in a timely manner. • Adequate access controls are in place to ensure staff have unique usernames, users have unique passwords which are subject to enforced changes. • Only valid data is transferred to the pensions system. • Performance of the team is monitored including responding to requests for information, general enquiries and issue of annual statements. 	Substantial	0	1	0	0
Corporate Audits Sub-total		3	16	15	34
Total Recommendations		3	31	17	51