

AUDIT REPORT 20'014**SCHOOL CATERING EXPENDITURE****EXECUTIVE SUMMARY**

The annual Internal Audit plan for 2019/20 provides for a review to be undertaken of the costs incurred in the delivery of the School Catering Service. Traditionally, the service's main function has been the operation of kitchen and servery facilities across the Council's 8 secondary and 46 primary schools; this is now extending to catering for a number of nursery locations, as a result of the early years' expansion programme.

In terms of scale, the main expenditure components are staffing and catering supplies, with budget provisions in the 2019/20 financial year amounting to £2.8 million and £1 million respectively.

The audit involved extensive testing of staffing costs to ensure these are identified, authorised and monitored in line with service needs and, for catering supply costs, assessed procurement arrangements, payments to suppliers in accordance with agreed contract pricing, and consistency of application of established policies and procedures. Budget and performance monitoring and management practices were also covered as part of the review.

In terms of staffing requirements, various service models are in place due to the different catering facilities available at secondary and primary schools; also within the primary school environment, there are school kitchens which cater solely for a single school, kitchens which cook for outlying schools in differing volumes and locations where servery arrangements are in place. This creates varied staffing needs and the audit has studied staffing complements at the individual locations to confirm these align with the established delivery models. In particular it was noted that management information held is sufficiently robust to secure optimum use of staff e.g. for absence cover, and when staff leave the service, care is taken to ensure replacement posts are aligned to current demand. Staffing requirements will continue to alter and require careful management over the coming year with the expansion of catering for the nursery sector.

Catering supplies were also found to be well controlled by use of formalised contractual relationships with suppliers of all food commodities, and audit testing has shown a robust audit trail in terms of documentation of ordering, goods receipt and payment processes. Again, management attention to monitoring of expenditure at each establishment, and the effort applied to resolve any purchasing or supply usage issues arising, was evident and assessed as working as intended.