

Audit and Governance Committee Report - January 2021

Annual School Assurance Statements 2019/20

Background/context

During 2018/19, ARA discussions with the Director of Children's Services raised that internal audit activity within schools appeared low. ARA also undertook a benchmarking exercise with other local authorities in July 2018, which identified that Gloucestershire County Council allocated 1.8% of the total internal audit plan days to pure school audits, with the average number of audit plan days allocated to schools by the benchmark group being 7%. A growth bid resulted in the schools audit days increasing to 7% of the 2019/20 audit plan which is more in line with peers and better supports the S151 Officer in providing the relevant formal assurances to the DfE as required.

The then Director of Education requested that the Head of Education Outcomes and Intervention should put in place a process of assurances from schools and governing boards that the audit recommendations were acted upon satisfactorily. The Head of Education Outcomes and Intervention agreed a process for this with Internal Audit and with Governor Service Officers. This process was implemented during 2019/20.

The confirmed assurance approach for 2019/20 applied by Education/Governors Services, is outlined below and is designed to meet the objective to provide assurance that processes are in place to manage the Internal Audit identified schools' risks, and to update on audit recommendation implementation.

The 2019/20 schools audits outcomes are detailed in Annual Report 19/20.

Note: The final 19/20 school audit (Dunalley Primary School) was concluded after the final Annual Report for 19/20 and received a satisfactory risk opinion and a limited control opinion; the audit finding themes were in line with those reported in the Annual Report 19/20.

Approach

Governor Services has exercised its role in ensuring that Governing Boards follow up and complete as required the recommendations for actions that are made in a school audit report.

The process adopted by Gloucestershire's Governor Services is as follows:

1. Internal Audit carries out an audit at a school and produces a report, with recommendations for actions.
2. The report is copied to the Governor Services team governorsvs@gloucestershire.gov.uk

3. After a period of time, i.e.:
 - Audit Reports issued April – December, Governor Services issues Statement to Chair by 31st March, for return by mid-May.
 - Audit Reports issued January - March, Governor Services issues Statement to Chair on date agreed with the Head of Education Outcomes and intervention.
4. Governor Services contacts the Chair of Governors and requests that the Chair completes and returns a statement on the progress on the recommendations made in the report. This might include either actions completed or current progress towards completion where there are longer-term actions.
5. The statements are collected and provided to the Director of Education, who reports to the GCC Audit and Governance Committee. Copies of the statements are available for scrutiny.

It was agreed that the Committee should normally receive the report in the July meeting. However, for 2020 it has been agreed that the report to the committee will be presented to the committee in January 2021.

For the 2019/20 audits, the Director of Education or representative will attend the January 2021 Audit and Governance Committee to report and provide assurance to the Committee that processes are in place to manage the Internal Audit identified schools risks and update on audit recommendation implementation.

Key Findings/Outcomes

The following audit reports were within the scope for reporting to Governor Services during the year.

School	Date of Audit
St Peter's Catholic Primary	June 2019
Harewood Junior	July 2019
Tewkesbury C of E Primary	July 2019
Holy Apostles' C of E Primary	July 2019
Kingsholm C of E Primary	September 2019
Barnwood Park	October 2019
Heron Primary	December 2019
Foxmoor Primary	December 2019
Pittville	January 2020
Tirlebrook Primary	February 2020
The Catholic School of St Gregory the Great	April 2020
Dunalley Primary	May 2020

Statements have been received from all schools.

The overarching key findings that required improvement from the finalised audits related to: Governance and Budgetary Control, Procurement, Petty Cash, Income, Vehicles and Staffing and Payroll.

In all cases, the governing board statement has confirmed that the recommended actions have been completed by the governing board, or that boards are in the process of ensuring that the actions are completed. A proportion of the recommendations require that Finance and Resource committees put in place 3-year budget plans. This is supported by the area finance team and the deficit schools' officers group to ensure that this is in place.

GCC colleagues have continued to work closely to develop more coherent and joined up approaches to delivering audit and financial services to schools. The links have been strengthened between the role of Governor Services in the development of annual assurance statements; Area Finance Officers; the Education Outcomes and Intervention team in terms of obtaining support and advice for schools causing concern; and internal audit. Relationships have developed and are better understood, this is particularly so with regard to the relationship between Deficit Scrutiny, Area Finance, leadership and management in school improvement and the role of governance.

Conclusion

The confirmed assurance approach for 2019/20 applied by Education/Governors Services, has met the objective to provide assurance that processes are in place to manage the Internal Audit identified schools' risks and confirm update on audit recommendation implementation.

The overarching key findings that required improvement from the finalised audits and related to: Governance and Budgetary Control, Procurement, Petty Cash, Income, Vehicles and Staffing and Payroll have been communicated to governors across the county key themes/common findings have been shared via Schoolsnet (the Gloucestershire County Council schools intranet) and the Heads Up and What's Up Gov newsletters for school leaders.

Further Recommendations

The Governing Boards whose schools were audited will continue to submit a return to Governor Services to confirm the progress that has been made with the implementation of the audit recommendations that were made.

Where there are delays and support is required, governor services, the Education Lead for Governance and / or the relevant adviser will provide the appropriate intervention. Together with deficit officers, the LA has the right to engage support from external provider for School Finance.

January 2021