

Orbis Internal Audit Strategy for Schools 2019-20

Objective

The objective of this strategy is to support the planning of a balanced and effective level of audit coverage for maintained schools within East Sussex County Council and Brighton & Hove City Council. The strategy uses a risk based approach to ensure that Internal Audit resources are used to best effect. The output from this work will comprise part of the assurance required by the Section 151 Officers to fulfil their statutory responsibilities. The audit work also provides information and assurance to Service Directors, Headteachers and Governors.

Audit Coverage

We will complete the following school related audit work:

School Audits

We carry out a number of school audits. The schools to be audited will be determined through an assessment of risk factors, including the date of the last audit, financial performance, Schools Financial Value Standard (SFVS) returns and input from other services that are in direct contact with schools.

The school audit programme assesses the effectiveness of controls across areas such as governance, financial planning, budgetary control, payroll, procurement and purchasing processes, income and cash handling, control of assets and equipment.

Each school audited will receive a report providing an opinion on the overall effectiveness of internal control for their school. The report will also contain recommendations for improvement.

Where audit reports highlight significant control weaknesses, a follow-up visit may be undertaken to ensure appropriate action has been taken in accordance with agreed time scales.

Themed Reviews

Where specific areas of operation are identified as being of high risk we may take a cross cutting approach and sample a number of schools reviewing effectiveness of controls in this area only. The final output from this is a report detailing both good practice and common weaknesses, which will be issued to Children's Services Department's for consideration.

We will usually provide verbal feedback to the school at the conclusion of a visit, in some instances we will provide written feedback in the form of a short report.

Investigations

Where we detect, or are informed of potential fraud or irregularity, we will investigate this. Where appropriate, control weaknesses and lessons learned will be shared with other schools and Children's Services.

Advice and Guidance

We are able to provide advice to schools, either individually, or on a collective basis through:

- telephone discussion, letter, email and face-to-face meeting;
- attendance at school forums;
- liaison with Children's Services Department, Human Resources, Schools Finance and Governor Services; and
- review and update the content and documents available on the Internal Audit pages on Intranets and the Internet.

In addition we will continue to:

- issue bulletins highlighting key issues and information aimed at governors but also available to school staff.

Reporting Arrangements

Each year, we will produce the following management reports on our work in schools:

- An annual report and opinion which includes a summary of the work we have undertaken in schools;
- Quarterly Internal Audit progress reports to the Corporate Management Team and the Audit Committee;
- An annually revised strategy for Internal Audit in Schools.

Academies & Free Schools

Academies and Free Schools are publicly funded schools which are directly funded by the Department for Education and are independent of local authority control.

Whilst there is no requirement for Orbis Internal Audit to provide assurance for Academies or Free Schools, we will consider requests from them and any audit work would be charged at our daily rate.