

Response to Internal audit schools summary report 2022-23

Local Authorities have a legal requirement to provide assurance that financial risk is being properly managed. To this end the council has commissioned independent auditors (BDO) to undertake a cyclical programme of school audits to assess whether adequate controls are in place to help prevent financial management weaknesses within the school that could result in budget overspend or inappropriate expenditure.

- The programme of schools to be audited are agreed by the Director of Education and senior officers with overview and understanding of the workings of schools and each schools financial position. This is so that schools can be prioritised or audits delayed or brought forward.
- Audits report summary findings to the Local Authority, school leaders and those responsible for effective governance.
- Any concerns relating to good financial governance are raised with chairs of governors and head teachers and must be presented to the governing body at the next meeting following the issuing of the report.
- A range of training is provided through the head of governor services communications via Governor Hub and headteacher and governor forums so that procedures and processes are tightened.
- The importance of good financial processes with Schools' Business managers and senior leadership teams at various briefing & training events so that procedures and processes are prioritised appropriately.
- The limited assurances identified for financial management align with the LA's risk assessment of other areas of those schools' management.
- The reports' findings will be shared with link school advisers and there will be direct follow up with individual schools based on the detailed findings of the individual reports.
- Issues may, where appropriate, also be revisited through the schools deficit recovery process.
- Where Southwark Governor services clerk governing body meetings, they ensure that individual audit reports are shared with Chairs of Governors and are addressed at committee level as agenda items.
- It would be fair to say that in recent years some of the issues identified indicate stretched capacity at schools and highlights lack of experience and expertise.

Nina Dohel
Director of Education
August 2023