

Internal Audit Services News

Welcome to the latest newsletter from South Gloucestershire Council Internal Audit Services. In this edition we will bring you up to date regarding any recently issued controls/ financial guidance for schools. We will also let you know where you can go to find out more information on key topics.

Your internal audit team are based at the Council Offices, Badminton Road. If you need to contact us, please use the internal audit mailbox and we will get back to you as soon as possible.

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INTERNAL SCRUTINY SERVICE FOR MULTI-ACADEMY TRUSTS

Are you planning to convert to a Multi Academy Trust? You will need some internal scrutiny and, in our experience, that vital support can be crucial in the design of systems to ensure controls are in place from day one. Do you need a critical friend to support you in this work?

Our internal audit team have been working extensively with Multi Academy Trusts since 2010, providing a comprehensive internal audit service that ensures you can meet the internal scrutiny requirements of the Academies Handbook.

Our internal audit team will tailor our services to meet your Trust's needs and we provide an affordable, supportive, independent role that helps your Trust change, strengthen and operate efficiently and effectively.

But don't just take our word for it, here's what our clients have said:

'I have been impressed by the level of support provided by Internal Audit Services to the organisation and their desire to deliver high quality and effective services.'

'We have found the recommendations from the audits extremely useful in helping us to shape our processes after conversion and introduce consistency across the Trust as it has grown.'

We work with Single School Academy Trusts as well as large Multi Academy Trust models. As your council internal audit team, we know your school and look forward to continuing working with you.

Please feel free to get in touch if you would like to discuss our services more fully, either by email:

internalauditmail@southglos.gov.uk or call (01454) 865443.



CYBER SECURITY – RESOURCES FOR SCHOOLS

Cyber Security should be high on the agenda for any school with a reliance on IT and online systems.

There are many downloadable resources for schools available from the National Cyber Security Centre.

Access them [here](#).



PROCUREMENT GUIDANCE

In January 2023 procurement guidance was issued to all schools with key points to consider. This has been summarised below in case the guidance was missed. Additional guidance on procurement can be found on the DfE website page [buying for schools](#).

Governors, Trustees, Head Teachers, School Business Managers and Finance Leads should be aware of their responsibilities to safeguard public money and the rules and requirements which must be followed if the supply or service is of significant value and/or planned to run over several years.

Access [Buying for school's guidance](#) here

When looking into procurement the following may assist to ensure it is effective:

- Develop a business case;
- Review any procedures or guidelines you must follow;
- Establish the contract value and whether a tender process is required;
- If working with other schools ensure Public Contract Regulations are adhered to;
- Create a specification to detail your requirements;
- Ensure you obtain value for money.

The guidance document is available [here](#).

RELATED PARTY TRANSACTIONS

Did you know about the requirements to record Related Party Transactions? The governing body for each school should be maintaining a record of any Related Party Transactions (RPT).

A Related Party Transaction is a contract or other agreement between the reporting entity (in this case, school) and a person or entity that has close links with the persons awarding the contract, for example a relative of a staff member. It is a concept that largely applies to companies, but the same principles apply to public bodies such as maintained schools.

Contracts or agreements with the school's maintaining local authority or with trustees of a voluntary school are not to be treated as related party transactions.

Related Party Transactions are allowable and may provide the best value for money for the school. However, effective procedures should be in place to ensure that transparent procurement procedures take place. Potential conflicts of interest should be declared and then appropriately managed.

WHEN MIGHT A RELATED PARTY TRANSACTION ARISE?

A member of the governing body, a member of staff, or a close relative of such a person, might have an interest in a provider, company or organisation that is bidding for a contract or quoting for a service to be purchased by the school. The governor or member of staff concerned must declare this interest as it arises and take no part in the procurement procedure.

REPORTING RELATED PARTY TRANSACTIONS

The school should keep a record of any Related Party Transactions that take place at the school. A template is available on the gov.uk website [here](#), which should be submitted alongside the annual SFVS return.

A copy of any RPTs that have taken place in the financial year must also be reported within the annual SFVS return.

RPTs must continue to be reported each year while the contract is live, or while services continue to be purchased in that year. Once the contract is complete there is no requirement for historic RPTs to be reported. There is also no requirement to check with the Local Authority before entering into a contract with a related party.