

MEMORANDUM

To: All Head teachers and Finance Officers via the School Leaders' Briefing
From: Business Assurance
Date: 23rd June 2021
Subject: 2020/21 Thematic Review of Purchasing and Payments in Schools

1. Background & Scope

- 1.1 The Council's Internal Audit (IA) team conducted a review as part of its 2020/21 Quarter 3 IA Plan. We carried out a Thematic Review of Purchasing and Payments in Schools. The aim of this audit was to identify and assess controls that are in place to manage key risks around the payroll function. The nature of a thematic review means that results were collated from all of the school visits and summarised into key themes, enabling an overall assurance opinion to be given.

2. Executive Summary

- 2.1 6 schools were reviewed and testing conducted remotely to comply with, and overall the IA opinion is that we are able to give **LIMITED** assurance over the key risks to the achievement of objectives for Purchasing and Payments in Schools.
- 2.2 The key themes identified during this review have been summarised below:
- a) **Contract Register** - Schools should ensure a formal central Contracts Register is embedded containing information for all contracts and Service Level Agreements (SLA) to ensure it is maintained and monitored;
 - b) **Demonstration of best value** - Schools should ensure that procurement exercises are undertaken by exploring services from different suppliers to demonstrate best value in accordance with individual School Finance Policies and The Council's Procurement and Contract Standing Orders;
 - c) **Tendering** – Schools should ensure the tender and evaluation process is correctly followed and recorded to ensure compliance with individual School Finance Policies. This would allow decision making to be transparent and the School is seen to be acting fairly when selecting contracts and services; and
 - d) **Procurement** – Schools should ensure that procurement for high value purchases of goods, works and services have undergone thorough analysis and scrutiny. Further, procurement should be adequately recorded with supporting documentation demonstrating expenditure has been approved by the relevant delegated authority in accordance with The Council's Procurement and Contract Standing Orders.
- 2.3 Management have responded positively to our findings. The key findings and recommendations raised in respect of the risk and control issues identified are set out in individual Management Action Plans (MAPs) and will be subject to follow-up as part of our IA process.

3. Acknowledgement

- 3.1 Business Assurance would like to formally thank all of the officers contacted during the course of this review for their co-operation and assistance. In particular, the Head teachers and school staff involved in the review, whose advice and help were gratefully appreciated.

4. Internal Audit Contact Details

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