

Audit Committee

Wednesday 30th November 2022

10 am

Held at Landscope House and online via TEAMS

Present: Dominic Course (Chair)
Sarah Cox (SC)
Graeme Scott (GS)

In attendance: Nicky Dunford (CEO)
Mr Matt Matthew (DCEO)
Nathan Coughlin (NC) from Bailey Fleming for Item 8

Minutes: Charlotte Roe (GP)

Papers will be circulated to all members of the Committee and will be confidential.

The CEO and DCEO left the room for Part II to allow the committee to meet independently with Bishop Fleming, as per that commitment laid out in the Terms of Reference.

No	Item	Action
1.	<i>The CEO and DCEO were invited back to the meeting</i> Welcome and Apologies There were no apologies – full attendance	
2.	Declarations of Business Interests The CEO is a trustee of the Bearnas Education Foundation. Dominic Course is Chair of Governors at South Dartmoor Community College and a director of DACORS Ltd. Sarah Cox is a shareholder of S Cox & Co, and Naked Sprout Ltd, a trustee of The Fryer Welfare Trust and The Fryer Recreational Trust and a trustee of Drake's School PTFA. Graeme Scott is Executive Chair of The Mario Framework.	
3.	Any Other Business There was no other business	
4.	Minutes of the previous meeting The minutes of the meeting held on 11 th May 2022 – the minutes were agreed and approved , and the Chair agreed to sign them at the Full Board meeting.	Yes
5.	Matters Arising 3.2 Update on the arrangements and presentation from Thomas Westcott The DCEO reported that the internal audit was underway. The DCEO said that the internal audit spent 3 days reviewing the Trust's risk register. The DCEO shared an email from Thomas Westcott with a general outline of the areas that now needed addressing. The Chair said that the trust and schools' risk registers needed to be aligned better. It was asked for Internal Audit Report to be put on next audit agenda 4.2 Update on the tender outcome for Trust Auditor The DCEO reported that the trust had always been with Bishop Fleming. However, it was good practice that the trust goes out to tender every 3 years. The tender document had been shared with Trustees before the meeting outlining the 5 companies to be approached to tender. The meeting discussed the options. The Trustees were happy to proceed with the companies outlined and the wording of the document. 5.1 NGL update The CEO said that the follow up meeting with the NGL had taken place. The feedback was now that the Governance Professional was in post most of the actions had been addressed. The	GP

	<p>Scheme of Delegation was the next piece of work. The CEO added that she had started the review with the local boards with another meeting scheduled for January 2023.</p> <p>10.2 Dogs in the workplace policy It was agreed that this policy did not need to come to committee level. On the policy schedule it was due to be approved by DCEO.</p> <p>10.3 Update around parent transporting children other than their own SC said that this was still a concern especially around insurance and safeguarding. The CEO explained that every person that transported school children must have business insurance, and this was checked by the school administrators. It was added that this only affected when the school were using parents to transport other children for a school trip. SC felt that this was not happening. The CEO said that this would be reviewed with the Academy Heads and she would ask the Safeguarding Lead to follow up as well. SC said that her worry was also around DBS and leaving the trust at risk. The CEO said that all volunteers would have a DBS check. Following a question from GS, the CEO said that another adult accompanied any parent driver. SC asked about a policy around this for administrators to follow. The CEO would investigate further and report back. It was noted that there was a current Trip and Visit policy with a checklist. The CEO added that parents were informed if their child was going to be transported by another parent. Following a question from the Chair, the CEO clarified at what point transporting the children became the responsibility of the trust.</p>	CEO
6.	<p>Governance Annual review of constitution and Terms of Reference to check:</p> <ul style="list-style-type: none"> • Membership is appropriate • Duties remain relevant • All duties have been covered during the year and it aligns with Scheme of Delegation <p>The CEO queried 6.1.4 – and asked whether the Audit Committee followed this plan and asked about the timescales. GP asked to change the TOR to add ‘within the school year’ Referring to 6.2.2 the CEO asked when the committees should complete the audit service review. The meeting agreed at the end of the year once the report was available. The GP was asked to add the wording ‘at the end of the year’.</p>	GP GP
7.	<p>Internal Audit To receive any reports from Thomas Westcott – deferred to the next meeting.</p>	
8.	<p>External Audit NC made the following comments from the reports circulated before the meeting:-</p> <ul style="list-style-type: none"> • Audit work was complete, and it would be a clean audit and regularity opinion. Due to the independence procedure, a second partner associated to the audit due to Ben Thorne becoming a trustee and Chair of Finance & General Purpose Committee. NC added that he did not anticipate to this would raise any issues. • No issues in section 2 – Key Audit Risks and Other findings • School transferred on conversion – one school joined at the beginning of 2021-2022. NC outlined the monetary implications of this conversion. NC added that everything had been calculated and recorded correctly. • Pension – NC explained that there had been a decrease in the valuation of the assets however this was consistent with other actuaries. NC confirmed that that Bishop Fleming was comfortable with the figures as in reality it was an accounting adjustment. Every 3 years full review of the LPGS scheme around the level of contribution from the Trust into the pension schemes from April 2023. • Hapur Trust v Brazel – this had been highlighted as it had been discussed a lot across the sector and it was related how holiday pay was calculated for part-time staff – NC added that generally this affected secondary schools rather primaries – NC added that he was comfortable with the Trust’s calculation. • Impairment of fixed assets – NC explained that because Bishop Fleming was aware that the Trust had had a review of its estate, it was prudent to complete an impairment review. NC explained the rationale and the process. NC reported that there was nothing that needed to be impaired and comfortable with the current valuation of the fixed assets. 	

	<ul style="list-style-type: none"> • Management Letter and Control Points. NC said that the amber rating was related to PE and Sports Funding. NC said that following covid, schools needed to now spend the full amount to avoid clawback. On a deeper dive, it transpired that the trust had spent the PE money under other allocations so now there was a balanced account. The CEO said there were restrictions on how to spend the money which could make it difficult to spend. She added that since COVID the trust had done substantial work to ensure to tighten the accounting process. Following a question from the Chair, it was confirmed that individual schools were all showing a spent balance. The Chair asked about the capital spending – the DCEO said that this had been discussed with the auditors. The DCEO said that he was comfortable as a trust how the PE and Sports Funding was being spent. The Chair asked if this funding was going to continue. NC said that some Trusts had not spent their funding and so the next few months would be interesting on what would be picked up by the government. The CEO asked if it would be changed to allow Trusts to use the funding on capital project. NC said he had not had any notifications. There was a discussion of what capital spending meant in the guidance. SC asked for Sports Grant to be put on every agenda. It was noted that F&GP Chair also raised to review this so it was agreed that the two chairs would agree a way forward and advise the GP. • It was a clean audit and ready to be signed off. NC thanked the Trust’s team for their input. • Referring to the Financial Overview, NC explained the numbers. It was noted that there were reserves however there was period of uncertainty such as inflation increase and energy increases. The current reserves would provide the Trust resilience for future financial challenges. The DCEO said that the reserves had been spoken at length in F&GP – going forward the trust was in a strong position. • The DCEO said that the process had been positive, and it felt like a proper robust partnership. The CEO said that working with Bishop Fleming had given the Trust confidence. <p>8.2 Programme for 2022-2023 This was dealt in 8.1</p> <p>8.3 Benchmarking The Chair explained that delay is to wait for Bishop Fleming’s Kreston Academies Benchmarking Report 2023 – which will be published in January 2023. Considerable shifts are expected to be shown the education sector reports for this year. Therefore, delaying so the benchmarking was against the most recent/relevant data was agreed. The Chair asked about the reserves per pupil numbers compared to other Trusts. NC said that it would be interesting once the figures were available.</p>	GP
9.	<p>PE and Sports Grant This was dealt with under item 8</p>	
10.	<p>Health & Safety The report was circulated before the meeting. The trustees were invited to make comments The DCEO said that there were no outstanding issues. There had been several Devon County H&S audits in schools and in general H&S was strong across the trust. SC asked that the information was presented in a table format to give a clearer picture of what had been completed under H&S in schools. SC asked about the incident with reference to an amputation. The DCEO said that he would investigate the actual incident information and report back. SC asked that there were target dates on the RPA Audit findings The Chair commented that on the use of the word ‘multiple’ when recording incidences and asked for clarification. The CEO said there were a few children with challenging behaviour across the trust. Each child had a risk assessment. There was various ways each school reported these incidences. The CEO added that all the staff were PIPS (Passive Intervention and Prevention Strategies) trained. As a trust, alternative provisions were put in place to support these children at times. The Safeguarding Lead had been tasked to oversee this. The trust was considering introducing C-Poms. Following a question from the Chair, the CEO confirmed that behind the</p>	DCEO H&S Lead

	<p>incidences reported to the Audit committee there was more in-depth reporting and responses around SEND and safeguarding.</p> <p>SC suggested that there was a threshold for example after so many violent incidences it was brought to the attention of this committee or at least the CEO. It was agreed that this would be done for each school and come back to the committee with a proposal.</p> <p>Referring to page 5 of H&S policy GS asked for the reporting to be more specific when report at near misses.</p> <p>GS asked about DCC H&S audit reports and asked what findings (number) was considered good. The DCEO would look at this.</p> <p>It was commented that the system was improving since the H&S Lead was in post. The GP was asked to thank her on behalf of the Trustees.</p>	<p>CEO</p> <p>H&S Lead DCEO</p> <p>GP</p>
11.	<p>Data Protection</p> <p>There were no incidences to report; only low level issues. It was noted that all low-level issues were now flagged up by the staff so they do not become a major incident.</p>	
12.	<p>Cyber Security</p> <p>It was noted that it was lengthy report. The cyber audit was not complete yet. The DCEO said that machines were attached to 5 schools networks across the trust and programmed to attack the network to highlight any vulnerabilities – the trust were waiting for the outcome.</p> <p>The initial feedback was the trust’s process were adequate but need to get better. The way forward was for DCEO and Limbtec to tighten up processes. The CEO said that she had gone through the report with the DCEO and in January it would reviewed again and rag rated for Audit committee.</p> <p>It was agreed for cyber security to be a standard agenda item.</p> <p>Following a question from the Chair, the DCEO said that the audits were helpful and supported the Trust to improve. The CEO confirmed that some of the recommendations were changing mindset of staff. The CEO said that she held the DCEO and Academy Heads to account. Academy Heads were regularly asked to check that the staff were complying with the recommendations. Staff were more aware of what need to be done.</p> <p>Following a question from the Chair, it was confirmed that the two-way authenticator was in place.</p> <p>The Chair asked about the back-up. The DCEO said all the data was held on the cloud – the Trust do not back up the cloud to another area. Limbtec were investigating this further.</p> <p>SC asked whether the trust had cyber cover on the insurance – the DCEO confirmed that this was now in place.</p> <p>It was agreed that the Chair was the trustee with area responsibility with cyber security</p>	
13.	<p>Safeguarding</p> <p>The CEO reported that a parent had taken a complaint to Ofsted regarding a footpath which was subsequently investigated. The outcome was that the Trust had done everything needed such as a risk assessment and addressing any potential safeguarding issues. Since the investigation DCC had advised the Trust that the footpath could be moved and there was a possibility of it being removed altogether. She added the investigation finding had been a real endorsement that the processes around risk assessment and safeguarding were exemplary at this school and across the trust.</p> <p>Referring to the two documents that were circulated before the meeting, GS said that one of the documents was to provide a critical assurance that safeguarding was in place. It had been agreed to have a 3rd column to outline evidence with an oversight from the CEO. The CEO added that other staff and trustees could also contribute to this 3rd column.</p> <p>The CEO commented that the work from GS with the Safeguarding Lead had helped the EIT to understand what the trustees want to see and thanked him. GS asked that the trust considered succession planning and ensured that that as much as possible was recorded.</p>	
14.	<p>Risk Register and Strategy Plan</p> <p>Once the internal audit report was available this would be reviewed.</p>	

	<p>SC had reviewed the risk register and asked about timescales. The DCEO said that he would need to look at this before giving a definitive answer. The CEO added that the internal audit had highlighted that some schools' registers were in more depth than others. So, at school level there needed to be more consistencies – the CEO said that she had asked for Academy Heads to review this. SC said that it seemed that it looked like that currently, issues were not been addressed – the meeting agreed that as risks were addressed they should be archived.</p>	
<p>15.</p>	<p>Policies</p> <p>15.1 Health and Safety Policy (to be approved at Full Board) The policy was circulated before the meeting. The Trustees agreed the policy and recommended it to go to Full Board for approval.</p> <p>15.2 Business Continuity Plans It was agreed to defer this as the H&S Lead was still reviewing this – this would come to the next audit committee.</p>	<p>GP</p>