

**Minutes of the Audit & Risk Committee meeting held on Wednesday 5 July 2017
at 5.00pm to 7.00pm at Kelham Hall**

Membership			
A absence	=	Governor name	initial Academy
		Ms S Hall (Chair)	SH DAT Trustee
A		Mr M Quigley	MQ Retford Oaks Academy (RO)
		Mrs M Mays	MM East Leake Academy (ELA)
A		Mrs J Eastwood	JE National C of E Academy (NCEA)
A		Mr T Hill	TH Tuxford Primary Academy (TPA)
A		Mrs S Odabashy	SO Tuxford Academy (TA)
		Mr R Monkhouse	RM East Leake Academy (ELA)

In attendance:

A absence	=	Staff/in attendance	Initial	
		Mrs A Elway	AKE	Company Secretary and Clerk
		Mrs D Clinton	DLC	ACEO and Accounting Officer
		Mr L Mosley	LDM	Chief Financial Officer
		Mrs K Bonser	KBn	Standards and Projects Manager

Item No	Item	Action/ by who when
AC/45/1617	<p>Introductions were made to Mr Monkhouse</p> <p>Apologies for absence Apologies for absence were received and approved from Mr Quigley, Mrs Eastwood and Mrs Odabashy due to work commitments and Mr Hill due to family commitments. It was noted that Mrs Clinton will be late due to an earlier meeting.</p>	
AC/46/1617	<p>Declaration of interest There were no declarations of interest, either direct or indirect, for any items of business on the agenda.</p>	
AC/47/1617	<p>Minutes of the meeting held on 29 March 2017 The minutes of the meeting, having previously been received were agreed and signed by the chair.</p>	
AC/48/1617	<p>Matters arising not on the agenda <i>AC/33/1617- list of actions following review of internal audits</i> For Mr Monkhouse's benefit Ms Hall explained the process that had been undertaken earlier in the year to appoint new external and internal auditors. In response to a question from him it was clarified that the internal auditors are on a fixed daily fee. <i>AC/36/1617 Matters arising – Internal Audit governor role</i> Mrs Elway advised that clerks had confirmed this role was now</p>	

	<p>understood. Mr Mosley advised that the role will include monitoring of actions and management responses of all internal audits being undertaken. Any issues will be reported by the internal audit governor to the relevant Local Academy Board meeting.</p> <p><i>AC/38/1617 RSM Audit Findings Report - consolidated list of actions from both Trusts' reports</i> The reports for each Trust had been reviewed at the recent DALP F&R meeting. Ms Hall confirmed that the committee had been satisfied with the responses.</p> <p><i>AC/41/1617 Investments/Reserves policy</i> Discussed later in the meeting</p> <p><i>AC/41/1617 RSM UK LLP fees</i> Ms Hall confirmed that the payment of £7,500 to RSM for the additional audit work had been approved by the DALP Board. Mr Mosley explained that the work had been attributed to the previous COO leaving and the six week gap before he was appointed plus the additional work that was necessary when the accounts had been unable to be signed off due to the financial situation.</p>	
<p>AC/49/1617</p>	<p>Confirm thematic reviews for internal auditors Governors had received the rolling programme of audits that he is suggesting the internal auditors undertake starting with governance, risk assurance, health and safety and finance. Further audits will be HR recruitment and selection, due diligence and disaster recovery. The audits will provide a level of assurance to this committee and in turn the DALP Board around their key responsibilities and any underlying risks. For the finance audit, the new auditors will follow up on the recommendations from the previous internal audits and report on progress taken towards addressing actions. Mrs Elway advised that she is also asking the firm to undertake a Data Protection review to ascertain what actions need to be put in place in readiness for the General Data Protection Regulations (GDPR) which come into effect in May 2018. In response to a question, Mr Mosley assured governors that they would receive each report at the next meeting. During discussions, it was agreed that the internal auditors will be invited to meetings when audits are presented to ensure governors receive an independent view. It was also established that the internal auditors have the skills set to undertake the various requested reviews.</p> <p>Mrs Elway left the room</p> <p>It was agreed to buy back 42 days of internal audit time during 2017/18. Ms Hall asked that internal charging/recharging checks are included in the finance audit. Mr Mosely asked that governors contact him if they have any queries regarding the internal audit programme.</p> <p>Mrs Elway re-joined the meeting and Mrs Clinton joined the meeting.</p>	<p>AKE invite/ Agenda</p>

AC/50/1617	<p>2016/17 External Audit- initial thoughts</p> <p>Mr Mosley advised that planning meetings have been held with Smith Cooper and they are currently undertaking system testing for each academy. In response to a question, it was confirmed that these are mainly undertaken from a central point to avoid travel costs but some academy visits may be necessary. Mr Mosley assured governors that the audit work will be undertaken in good time to file the accounts which will be ready for this committees meeting on 29 November. The auditors will also attend. Mr Mosley confirmed that the Teacher Pension return has been completed.</p> <p>Mr Mosley advised that he will advise governors if anything significant is found prior to the next meeting.</p>	AKE- invite
AC/51/1617	<p>Accounting Officer schedule of meetings and reporting</p> <p>Mrs Clinton advised that she and Mr Mosley are setting draft templates for AO discussions which will be held in line management meetings. Governors were also reminded that the internal audits will also give a level of assurance that statutory responsibilities are being reviewed/reported. A discussion was held regarding the frequency and content of the report to come to this committee. It was agreed that, in the absence of any prescribed guidance, issues will be reported by exception and a report received from Mrs Clinton as AO at alternative meetings. It was acknowledged that a statement from the AO is also included in the Audited Accounts which governors will review at the meeting on 29 November. Trustees from DAT will also be at this meeting to receive the accounts.</p>	DLC to forward template DLC – 29/11/17 & 26/6/18
AC/52/1617	<p>Any fraud related issues to bring to committee’s attention?</p> <p>Nothing to report</p>	
AC/53/1617	<p>Investments and Reserves policy</p> <p>Draft policies had been received. Ms Hall suggested that the content of both is not ‘policy’ but operational and asked for both policies to be redrafted to include the statement that will go in the Audited Accounts. She recommended that the reserves policy needs to clarify what the Trusts’ are aiming to achieve and how reserves are managed and the statement in last years’ accounts is a good starting point. Mr Mosley agreed to redraft both which will be shared with committee members by 31 July.</p>	LDM redrafted policies by 31/7/17
AC/54/1617	<p>Whistleblowing Policy</p> <p>The policy had been reviewed and slightly updated. Ms Eastwood had advised prior to the meeting that a course she had attended on this subject suggested that the policy should be emailed to all staff annually as IT technicians are able to track who has looked at it if it is on a website. This may discourage staff from reporting incidents. Governors discussed this and it was agreed that the policy will be sent to all staff individually next term in line with this recommendation.</p>	AKE – policy to all staff
AC/55/1617	<p>Charging and Remissions Policy</p> <p>Mr Mosley advised he was waiting for clarity from each academy on their stance for charging for exam re-sits. Governors were advised that a new Educational Visits policy had recently been approved which outlines when</p>	

	<p>payment will be requested for a trip and when contributions are refunded where trips had made a profit. It was established that this was previously variable across the group and the policy had clarified the position. In response to a question, Mrs Clinton advised that it is the Executive Principal/Principal who agrees how much will be charged per trip. Mrs Bonser confirmed that a 5% contingency is factored into all trips and all trips are ATOL registered. The RPA insurance scheme underwrites trips.</p> <p>Mrs Mays suggested that the list of when financial support is available needs updating and Mrs Clinton said that there should be reference to how trips for Pupil Premium students will be funded. It was agreed that a 'catch-all' statement could be inserted around funding eligibility.</p> <p>It was agreed that the policy needs expanding, completing and reviewing by leaders on the Senior Strategy Team (SST) before being received by governors by 31 July.</p> <p>It was agreed that the Investments and Reserves and Charging and Remissions Policy, having been received by the end of July, would be ratified at the meeting on 16 October 2017.</p>	<p>By 31/7/17</p> <p>Agenda 16/10/17</p>
<p>AC/56/1617</p>	<p>Risk Management report and risk register reporting programme</p> <p>Mrs Bonser presented the first RM report since using the new system. She advised that some academies have more work to do but the report was an initial view of what will be received by the committee at each meeting. Two risk champions have been appointed in each academy who will review and report to her.</p> <p>Through questioning of the report it was established that:</p> <ul style="list-style-type: none"> - Risk headings have been derived from the GRC1 system in line with Ofsted, EFSA and DfE expectations plus our own identified risks. This includes utilisation of the apprenticeship levy and GDPR due to the high level of fines that can be applied by the ICO for non-compliance - Scaling is arrived at through pre-mitigated scores between 1-3 of 'the impact and likelihood', the 'residual score' i.e. where academies are now and the 'target risk score' - Some of the red rag rated risks don't correlate to FAR outcomes which could be attributed to one of the 3 scores above not being mitigated which turns the whole risk red <p>Mrs Mays advised that a long-standing concern of hers and this committee previously has been encryption of devices and the use of memory sticks.</p> <p>Mrs Bonser assured her that the GDPR corporate team are looking into options for controlling this across the group. The group meets regularly and as discussed above will also be reviewed by the internal auditors. Individual academy or whole group risks identified will continue to be added to the list as appropriate.</p> <p>Ms Hall commended how far the risk register has come in the last year and requested that term on term the report will show where risks have moved. Narrative should then be included if changes are seen and which</p>	

	<p>ones continue to be 'active risks' that the committee need to monitor as it was acknowledged that some risks may never change. She also added that risk managers should ensure they are scoring risks in the same manner and Mrs Bonser confirmed this will be addressed during Operational Network Group (ONG) meetings and through 1:1 meetings that she will have with staff.</p> <p>Mrs Bonser advised that individual academy reports show threats behind the over-arching information for LABs/SLT to monitor and agree. The report received at this meeting will be the overall threats for the group.</p>	KBN
AC/57/1617	<p>Health and Safety policy/exception reporting</p> <p>Governors were advised that the policy is being updated and once it has been approved by SST will be added to this committee's agenda for ratification. The committee requested receipt of a list of RIDDOR reported events at each meeting and academy H&S logs via random selection. Mrs Bonser advised that all academies use Well Worker to log incidents which goes via the Local Authority whose service we buyback for this. Additionally, the internal H&S audit report will be presented to this committee when completed.</p>	Agenda each meeting
AC/58/1617	<p>Safeguarding Audit report</p> <p>The first report following the audit at Queen Elizabeth's Academy had been received as had the programme for forthcoming audit visits being held at each academy before October half-term.</p> <p>Mrs Mays asked for clarity regarding the checks we make on staff when they commence employment. She was advised that all staff are checked to the DBS and prohibited registers and senior leaders are checked to the 128 prohibition list. Mrs Clinton assured that employment checks are thoroughly checked at each FAR visit and she was content we are compliant. Her ongoing checks will be the culture of how schools' safeguard children e.g. if there are any break time behavioural issues. In response to a question she advised that the committee should focus their attention on ensuring that 'bureaucratic compliance' correlates into good practice and management of safeguarding in all areas.</p> <p>During discussions Mrs Clinton also confirmed that there are no differences for safeguarding children in special schools to those in a mainstream academy however their learning difficulties are taken into consideration when behaviour is looked at. The safety of equipment would also be reviewed.</p>	
AC/59/1617	<p>Terms of Reference for the Committee</p> <p>Mrs Elway advised governors that they had received the ToR for this committee which had been extracted from a larger ToR document detailing all DALP Board committees. Mrs Clinton advised that she had some changes to make which will be tracked changes and sent to governors for review/approval. She asked that any comments are made to all recipients via 'reply all'</p>	DLC review ToR

AC/60/1617	<p>Date and time of next meeting all at 5.00pm to 7.00pm at Kelham Hall Monday 16 October 2017 Wednesday 29 November 2017 Tuesday 27 March 2018 Tuesday 26 June 2018</p>	
AC/61/1617	<p>Determination of confidentiality of business and Equality Act consideration Governors considered whether anything discussed during the meeting should be deemed as confidential and whether during their discussions any equal opportunities issues have arisen. It was Resolved That there were no confidential items discussed and there had been no Equality Act implications.</p>	
	<p>The meeting closed at 6.39pm Signed.....(chair) Date.....</p>	