

**Minutes of the Audit & Risk Committee meeting held on Monday 16 October 2017
at 5.00pm to 7.00pm at Kelham Hall**

Membership			
A = absence	Governor name	initial	Academy
	Miss S Hall (Chair)	SH	DAT Trustee
	Mr M Quigley	MQ	Retford Oaks Academy (ROA)
	Mrs M Mays	MM	East Leake Academy (ELA)
A	Mrs J Eastwood	JE	National C of E Academy (NCEA)
	Mr T Hill	TH	Tuxford Primary Academy (TPA)
A	Mrs S Odabashy	SO	Tuxford Academy (TA)
	Mr R Monkhouse	RM	Walton Girls High School (WGHS)
	Mr S Jones	SJ	DAT Trustee
	Mrs Bryn-Jones	PB	Retford Oaks Academy (ROA)
A	Mr G Gadie	GG	Retford Oaks Academy (ROA)

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	Business Development, Projects and Standards Manager
	Mr A Wilson	AJW	Head of Estates and Facilities Management
	Mr J Creed	JC	Head of Internal Audit, ICCA

Item No	Item	Action/ by who when
AC/01/1718	<p>Introductions were made to new attendees at the meeting.</p> <p>Apologies for absence Apologies for absence were received and approved from Mrs Eastwood, who has been replaced on this committee by Mrs Mitford. No apologies for absence was received from Mrs Odabashy. It was noted that her term of office as a governor at TA expires shortly.</p>	
AC/02/1718	<p>Declaration of interest There were no declarations of interest, either direct or indirect, for any items of business on the agenda.</p>	
AC/03/1718	<p>ICCA Internal Audit reports – Governance, Finance, Risk Management, Annual report 2016-17 Mr Creed talked to the report which members had received prior to the meeting so they could read its contents. It gives ‘reasonable assurance’ of internal control, corporate governance, risk management, financial assurance. In response to questions, he advised that no audit firm would give a better assurance than ‘reasonable’ despite it being a very positive report with no material discrepancies.</p>	

	<p>Turning to 3.1 governors questioned the 'limited assurance' for Queen Elizabeth's Academy (QEA) and were advised that there were some items that had not been implemented since the last audit. It was acknowledged that this could have been down to timing and the appropriate staff holding the information not being available. He assured that he had no reason to think that it would not be available at the next meeting. Mr Mosley reminded everyone of the significant journey and improvements that have been seen in the past year.</p> <p>Miss Hall asked for the date of the last audit to be added to future reports and it was confirmed that all recommendations will be followed up at each audit.</p> <p>3.3 Mr Creed referred to the percentage of recommendations that had been fully implemented and when governors raised surprise that this was only 78% they were advised that this equates to c10 per academy, which was not unreasonable.</p> <p>He was thanked for a positive report.</p>	
AC/04/1718	<p>ICCA - Confirm thematic reviews for internal auditors 2017-18 (attached)</p> <p>The plan had previously been received and had been completed from the draft version received at this committee last term. It includes the 3 year rolling audit strategy and prioritises the highest risk areas for the Trusts.</p> <p>A discussion was held and through questioning, Mr Creed confirmed that:</p> <ul style="list-style-type: none"> - QEA will be revisited next year due to their limited assurance audit in 2016/17 - Academies have been prioritised for visits following discussions with Mr Mosley and Mr Corban who had suggested the reviews to take place in each location - Retford Oaks and Tuxford Academies were chosen as they had the highest number of recommendations in their 2016/17 audits - He was happy to amend the plan to suit - Reporting structure every 3 years is adequate unless the organisation becomes aware of any issues in which case the plan will be reprioritised - The Audit Plan is revisited annually so the schedule can change at that time too - The number of identified days per audit can be changed to suit depending on the required depth of the audit - The annual amount of days identified for 2017/18 is 42 which is a lot higher than last year. This was due to ICCA being appointed part way through the 2016/17 academic year. To enable ICCA to give an internal audit opinion for 2016/17 they carried out audits in each location. It was recognised there is a fine balance between reducing the days which gives limited scope and more days would be a financial strain - The IT audit has been brought forward to enable any shortfalls that relate to the new GDPR requirements to be quickly identified. These may then be remedied where possible before GDPR implementation in May 2018 	

	<ul style="list-style-type: none"> - The GDPR review will be undertaken to check the Trusts are working towards compliance by May 2018. It may be repeated the following year to check compliance - Safeguarding Audits are being carried out by Mrs Bonser and Mr Knight in all academies this term. The audit to be carried out by ICCA in 2018/19 will assure members that the process has been thorough <p>Mr Mosley confirmed that the Management Letter compiled by external auditors will highlight any risk areas. He advised he was certain he would be able to quickly identify if there was an issue with a member of finance staff through the quality of reports, explanation of variances and reconciliations.</p> <p>Members agreed that instead of ELA and RO, QEA and Tuxford should have visits; Tuxford due to its financial complexity plus Bracken Lane, Thrumpton, Samuel Barlow, Wainwright and Tuxford Primaries as these all invoice centrally and are looked after by one finance manager based at QEA. As most of these academies are new to the group it will give committee members assurance that the correct procedures are in place.</p> <p>Mrs Clinton suggested that the Corporate Governance Audit may not be necessary as each time the Trust has a growth surge, governance is internally reviewed. A review of the quality of local governance is also ascertained at CSI meetings, FAR and Ofsted visits and by our external strategic partner. Mr Creed confirmed that he was happy to focus the scope of the audit but some form of governance review is needed for ICCA to form an overall audit opinion.</p> <p>Referring to page 6, New Academies Due Diligence, Mrs Clinton suggested that DALPs due diligence is very thorough and asked what experience ICCA has of other MATs practices to benchmark DALP against. Mr Creed advised that any internal audit would need to see evidence that the Trustees were discharging their duties appropriately.</p> <p>Mr Creed confirmed he was very happy to be flexible with days, scope and theme to suit DALPs requirements and on this basis the Audit Plan was agreed. Miss Hall requested that he and Mr Mosley liaise to change the plan as discussed above.</p> <p>Mr Creed was thanked for his attendance and he left the meeting.</p>	<p>LDM- change Audit Plan</p> <p>ICCA/ LDM</p>
<p>AC/05/1718</p>	<p>Health and Safety exception reporting and H&S policy (previously received)</p> <p>Mr Wilson had updated the existing policy in line with current legislation and how other MAT's had formatted theirs, having an overarching Policy Statement and a detailed section which dealt with all local academy arrangements.</p> <p>He advised that the policy will be reviewed annually and he will give assurance to the Board at this time each year.</p> <p>He advised that DALP has retained the LA H&S service for monitoring, updating and auditing of each site. Any RIDDOR incidents are reported through them, via their Well-worker system.</p>	

	<p>Alongside this all academies are in the course of being trained to use the 'Every' database to monitor H&S/Compliance requirements.</p> <p>Miss Hall asked that he advises her if a serious incident occurs which may result in reputational risk.</p> <p>Mr Wilson was asked if the PFI academies H&S/compliance is different, the committee were advised that the PFI providers monitor and report on all site H&S/compliance issues both centrally and locally and have a robust approach to monitoring this. For none PFI academies this is done at an academy level, but with the introduction of Every the data will be vetted centrally as an audit process.</p> <p>Questions were raised and Mr Wilson responded:</p> <ul style="list-style-type: none"> - NCC provide Well Worker; a system to advise on the reporting of injuries, incidents and near misses. - There are minimum standards to meet reportable accidents in regards to RIDDOR - He agrees, there are too few RIDDOR accidents on the list provided for the size of the Trust and this will be dealt with when all staff are trained in correct reporting. But this should also be raised at LAB meetings if there are concerns - After the Grenfell tragedy all buildings were assessed for fire risks and a report had to be sent to the DfE. DALP had confirmed that its fire risk was minimal as there are no buildings higher than 8 storeys. <p>Miss Hall suggested adding the Trusts' approach to anthrax and lead paint to the policy.</p> <p>All agreed that a number of staff in each academy need to be trained to ensure they know when and how to report incidents. It is clear from the few incidents reported that this is either not understood, or not being completed and neither is acceptable.</p> <p>Once the committee is satisfied that incidents are being appropriately reported it can decide how any may be mitigated.</p> <p>Mr Wilson agreed to tweak the policy. The overarching H&S policy will be uploaded to the DALP website and each academy will be advised to complete the local appendix to add to the academy websites.</p> <p>Mr Wilson was thanked for his attendance and he left the meeting at 6.20pm</p>	AW
AC/06/1718	<p>Risk Management summary of over-arching risks & plans to mitigate (previously received)</p> <p>Mrs Bonser presented her second report since registers in each academy have been started. Whilst the internal audits had found no compliance recommendations and an overall 'reasonable assurance' rating had been given, she had asked the auditors to put some actions in to get academies to engage with the process.</p> <p>During a discussion, Mrs Bonser agreed that inputting information onto the register had been a huge job for academies as they did not have any risk information previously. Now that it is in the system the risk champions will need to monitor and update and therefore it won't be as onerous.</p> <p>Discussions were held with attendees asking that:</p>	

	<ul style="list-style-type: none"> - Risk registers are reviewed at each FAR and CSI - SST need to see the overarching register to quality assure it and they need to understand the information produced for their academy. Mrs Bonser confirmed that each Principal has seen theirs, as will the LAB when the risk champion attends their meetings to explain it - This committee receives an overarching picture of all academies with exception reporting including explanations where a risk is constantly red or has moved into the red and what is being done to mitigate this - They acknowledged that some risks will always be red but the committee needs to be aware of active risks. <p>Mrs Bonser explained that each academy has its own action plan which goes to their senior leadership team and LAB to monitor.</p> <p>In response to questions, she advised:</p> <ul style="list-style-type: none"> - that the GRCON system is the most commonly used risk management platform, as recommended by the FD Forum - The risks are put onto the register when reported to the risk champion by each academy leadership team or ELG/OLG if it is a corporate risk - The 9 risks identified on the report are taken from the Ofsted framework as 'corporate risks' <p>Discussing the RAG rating for each risk, Mrs Bonser reminded the committee that risks are not linked to academy performance. She will be monitoring the input onto the system through her meetings with risk champions to ensure consistency across the group.</p>	
AC/07/1718	<p>Academy Safeguarding Audits – summary of any critical findings to date (previously received)</p> <p>Mrs Bonser advised that safeguarding audits are being held in all academies this term. Most reports are currently waiting for management response to be added. In response to a question, she advised that there were no major concerns with the audits that have taken place. All academies had got recommendations of common themes around HR and safe recruitment. Safeguarding link governors and internal audit governors will receive the reports once released.</p> <p>Mrs Bonser was thanked for her contribution and she left the meeting at 6.47pm</p>	
AC/08/1718	<p>Minutes of the meeting held on 5 July 2017</p> <p>The minutes of the meeting, having previously been received were agreed and signed by the chair subject to amending the academy Mr Monkhouse is from to WGHS.</p>	
AC/09/1718	<p>Matters arising not on the agenda <i>AC/54/1617 Whistleblowing policy</i></p> <p>Mrs Elway advised that IT had confirmed they could not trace who had viewed the Whistleblowing policy on the DALP website. A couple of attendees questioned this and Mrs Elway advised she will ask the question again.</p>	AKE

	<p><i>AC/59/1617 Terms of Reference for Committee – (attached)</i></p> <p>The updated ToR had previously been received. It was agreed that quoracy for the meeting is any 3 members with membership maximum of 10. The Chair of this meeting is appointed by the DALP Board. Miss Hall reminded members that they are on the committee for the benefit of all DALP academies; not for the individual academy they are a governor at. Mrs Elway was asked to update the ToR which can then be published.</p>	AKE
AC/10/1718	<p>Audit & Risk – CFO report</p> <p>Mr Mosley's report had previously been received. There were no questions.</p>	
AC/11/1718	<p>2016/17 External Audit planning</p> <p>Mr Mosley advised that preparation for external audit has been started. The next meeting on 29 November will be attended by Smith Cooper to present the Audited Accounts. DAT Trustees have also been invited to the meeting if they wish to hear the comments. NCEAT governors will have their accounts presented at their AGM on 14 December.</p> <p>Miss Hall asked Mr Mosley to ensure that committee members receive the Accounts a week before the meeting.</p>	LDM by 22/11/17
AC/12/1718	<p>Accounting Officer schedule of meetings, template and reporting</p> <p>Mrs Clinton and Mr Mosley advised they had not yet had a formal Accounting Officer meeting. The report produced by Mr Mosley for tonight's meeting will form the structure for their meetings.</p>	
AC/13/1718	<p>Any fraud related issues to bring to committee's attention</p> <p>There were no incidents to bring to the committees' attention.</p>	
AC/14/1718	<p>Policies for approval</p> <p>The Gifts and Hospitality Policy had previously been received and was approved without amendment. It will be uploaded to the DALP website and academies advised to keep a register of any gifts staff receive above £30 in value.</p> <p>The Investment and Reserves policy had also been received. Miss Hall expressed her concern that the external auditors will pick up that it isn't suitable to go in the Annual Report. Mr Mosley was asked to relook at it and send it to all in due course for email approval before the next meeting.</p>	AKE LDM
AC/15/1718	<p>Date and time of next meeting</p> <p>all at 5.00pm to 7.00pm at Kelham Hall</p> <p>Wednesday 29 November 2017 Tuesday 27 March 2018 Tuesday 26 June 2018</p>	
AC/16/1718	<p>Determination of confidentiality of business and Equality Act consideration</p> <p>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</p>	

	<p>That there were no confidential items discussed and there had been no Equality Act implications.</p>	
	<p>The meeting closed at 7pm</p> <p>After the meeting it was noted that this is the last meeting that Mrs Mays would attend as her term of office as a governor expires at East Leake Academy. Miss Hall will send a letter to her thanking her for her commitment and contribution to meetings.</p> <p>Signed.....(chair) Date.....</p>	<p>SH</p>