



TRUST BOARD AUDIT & RISK COMMITTEE

Minutes of a Virtual Meeting of the Audit & Risk Committee of the Trust Board of South East Cornwall Multi Academy Regional Trust held on Wednesday 3rd March 2021 at 7 pm.

Present	Yes/No	In attendance	Yes/No
Mr B Cook	Yes	Mr D Buckley, CEO	Yes
Mr Chris Piper, Chair	Yes	Mrs J Lumbard, CFO	Yes
Mr Newton Chance	Yes	Mrs K Williams, Clerk to Trust Board	Yes

9. **Welcome and Format of Meeting**

The Chair welcomed everyone to the meeting.

10. **Declaration of Business or Pecuniary Interest and Academy-related parties - update on any changes since completion of written declaration**

None.

11. **Apologies for Absence**

All Trustees were present.

12. **Approval of the minutes of the previous meeting held on 10-12-2020**

The minutes of the meeting held on 10th December 2020, having been circulated in advance, were agreed as an accurate record and will be signed.

Point of accuracy on point L – Change of word required.

13. **Matters Arising**

M6. Matters Arising

M17. ESFA Funding Statements – For information

Following the usual checks carried out by the Finance team, a comparison had been circulated detailing the October 19 census to the ESFA funding statements for 2020/21 to check that student numbers, which are the basis for funding, were in alignment. Mrs Lumbard explained there is a slight difference at Saltash which she is checking with the ESFA. Mrs Lumbard has contacted the ESFA but has not had a response.

Update: Mrs Lumbard advised that she still has not had a response to her initial email so she has emailed a new enquiry to them and the ESFA have acknowledged her email.

M7. Verbal Update on Risk Register process – Jo Lumbard

c) The Trustees asked for the Clerk to add a link to SharePoint to the minutes.

Update: Complete.

14. **Strategic Risk including Risk Register**

Documents were circulated in advance of the meeting. From these:

a) Mr Buckley advised that Trust Board Committees need to review the Risk Register annually. Column B contains the strategic aim, column C is the strategic risk and column I contains the mitigations in place. The Trust Board needs to confirm the control procedures and agree that there are enough in place or can request that more actions and further mitigations are added. Each risk is allocated to a Committee.

b) **A Trustee asked where is it stated which committee owns the risk** and Mr Newton Chance

noted that it is hidden on this document and Mr Buckley clarified that this information is included in column BE.

- c) **A Trustee suggested that ICT risk should be a 5 and not a 3 as there is significant impact.** Mr Buckley advised that we do have back up plans and a 5 is classed as extreme risk. Trustees agreed that the level should be changed to a 4.

Action: D Buckley

- d) **A Trustee asked if there are further levels of detail for the risks to the Trust.** Mr Buckley advised that this information is contained within a separate document but the key terms are included on the Risk Register.

- e) Trustees reviewed the risks assigned to the committee and requested one change as detailed above. The dates of review can be updated.

Action: Clerk

15. **ESFA funding statements**

- a) Mrs Lumbard explained that as part of the annual checking process she undertakes a check of the October 2020 census against the funding statements for 2021/22 to ensure that funding received is in line with number of students on roll. Having undertaken this task for the coming year, she can confirm that there are no variances and we should receive funding correctly.

- b) **A Trustee noted that this is good financial practice but asked why is this a check an Audit Committee check rather than an internal process.** It was discussed that this is reconciliation of GAG (General Annual Grant) Funding and pupil numbers and it was noted that there is risk to the major source of income on the funding statements. The Audit and Risk Committee needs oversight and assurance that the Trust has completed the check and a complete set of income and it is a recommended practice to report this to the Audit and Risk Committee.

- c) Trustees were assured the process is complete.

16. **Annual assessment against the AFH ‘the musts’**

A document was circulated in advance of the meeting. From this:

- a) Mr Buckley explained that this is a list of “musts”. We have reviewed these in detail and highlighted in yellow are the changes for this year and there are some other which we have changed ourselves but they are largely the same. There are no areas of non-compliance.

- b) **A Trustee queried the wording for Chairs and Trustees asked if this is an action or oversight for the Trust Board.** Mr Buckley advised that it is oversight rather than an action.

- c) **A Trustee asked how do Trustees satisfy themselves that this is accurate and correct and how do Trustees challenge.** Mr Buckley advised that an annual audit is completed which tests processes and Trustees can go into depth into any of these areas at request.

- d) Trustees are content with “the musts” as presented.

17. **Report of any novel or contentious transactions to consider risk**

A document was circulated in advance of the meeting. From this:

- a) Mrs Lumbard advised that this is to provide assurance that nothing else has transpired since the annual accounts were signed in December. It is good practice to report to the Audit Committee.

- b) Trustees are content with the update as presented.

18. **The Anti-Fraud checklist**

A document was circulated in advance of the meeting. From this:

- a) Mr Buckley explained that the checklist contains key questions which have been stated clearly and confidently answered. We can confirm that the answer is largely yes.

- b) **A Trustee asked why this is brought to the committee.** Mr Buckley advised that this is brought to the committee as part of the annual schedule of work as it needs to be reviewed and challenged by Trustees.
- c) Trustees are content with the checklist and evidence as presented.

19. **Regularity update**

A document was circulated in advance of the meeting. From this:

- a) There have not been any changes since the financial accounts were signed. Mrs Lumbard explained this is an annual procedure to ensure that we are using public funds for the intended purpose. This is an update to Trustees to confirm that there have not been any changes within the Trust since the annual accounts were signed.
- b) Trustees are content with the update as presented.

20. **Annual assessment of the MAT against CC8, internal controls in a charity**

A document was circulated in advance of the meeting. From this:

- a) Mr Buckley advised that the Trust not only an academy but also a charity and so is regulated by the Charity Commission.
- b) **A Trustee queried that this a self-assessment and asked if this is an internal checklist or is it sent to the Charity Commission.** Mr Buckley advised that this is to be used to report to the Trust Board.
- c) Trustees are content with the annual assessment as presented.

21. **Business Continuity Plans**

- a) Mr Buckley advised that we are in the process of reviewing the BCPs (Business Continuity Plans) but we have been somewhat distracted by Covid. We do have a BCPs in operation and we have been using the Covid version. The BCPs are large scale plans which do not require significant changes but are formally reviewed annually.
- b) The BCPs need to be reviewed by LGCs in the summer term in for readiness for the Audit and Risk Committee meeting in June. **A Trustee suggested that the BCPs should be reviewed this academic year so that Trustees have assurance that plans are in place to address key areas of risk to the operations of the schools. A Trustee asked for clarification on the review process.** Mr Buckley advised that the BCPs are reviewed by LGCs and then are given final approval by Trustees.

22. **Agreements made by email**

- a) Internal Assurance Report 2019/20 - agreement that this report may be sent onto the ESFA.

23. **Summary of matters for the Trust Board**

- a) The committee has reviewed the risks and mitigations in place on the Risk Register. They have requested one change to the risk level for ICT.
- b) The Audit and Risk Committee will be reviewing the Schools' BCPs at their June meeting.
- c) The Trustees have reviewed the following: ESFA Funding Statements, Annual assessment against the AFH 'the musts', Report of any novel or contentious transactions to consider risk, The Anti-Fraud checklist, Regularity update and Annual assessment of the MAT against CC8, internal controls in a charity.

24. **Date of next meetings:**

10-06-2021 at 5.30pm.

The meeting closed at 19.31.

Action Summary	
<p>14. Strategic Risk including Risk Register</p> <p>c) A Trustee suggested that ICT risk should be a 5 and not a 3 as there is significant impact. Mr Buckley advised that we do have back up plans and a 5 is classed as extreme risk. Trustees agreed that the level should be changed to a 4.</p>	<p>Action: D Buckley</p>
<p>e) Trustees reviewed the risks assigned to the committee and requested one change as detailed above. The dates of review can be updated.</p>	<p>Action: Clerk</p>