

**East Midlands Academy Trust Audit & Risk Committee**

Wednesday 19 April 2023 at 6.00pm Meeting virtually via Microsoft Teams

**AGENDA**

These minutes reflect the order of the discussion, not necessarily the order of the agenda

Attendance		
Role	Name	Present
Trustee	Martin Conlon (Chair) ☎	P
Trustee	Nick Bell ☎	P
Trustee	Ayo Salam	A
Trustee	Stephen Morales	A
In Attendance		
Chief Executive Officer	Joshua Coleman ☎	P
Chief Finance Officer	Paul Wheeler ☎	P
Head of Shared Services	Daryl Unitt ☎	P
External Auditor – MacIntyre Hudson	Chris Rising ☎	P
Governance Professional	Juliette Pierson	P
P=Present A=Apologies x = Absent		

Agenda item	Discussion	Action
1. Welcome and introductions	The Chair welcomed everyone to the meeting and reminded all that the matters discussed during the meeting should remain confidential until such time as the minutes were approved. Chris Rising from the trust internal auditors, MacIntyre Hudson was welcomed to the meeting.	
2. Apologies	No apologies for the meeting were advised in advance of the meeting. <b>Stephen Morales</b> and <b>Ayo Salam</b> were not in attendance.	
3. Quorum	The Governance Professional advised that the meeting was not quorate and therefore any item requiring a vote could be discussed but not voted upon nor approval sought.	
4. Declarations of interest	There were no declarations of interest pertaining to this agenda that had not already been declared on the annual Register of Interests.  Nick Bell advised that he had taken on a new role and needed to complete a new declaration of interests.	<b>Governance Professional to send out link to the declaration of interests form to NB</b>
5. Minutes of A&R meeting held on the 28.11.2022, & matters arising	The minutes of the meeting held on 28.11.2022 had been distributed with the agenda and papers for the meeting and were agreed by all present to be a true representation of the meeting that took place. As the meeting was not quorate, this item will be approved at the next meeting.	<b>Meeting not quorate. Minutes to be</b>

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not appearing on the Action Log	The Chair commented on the update to the Action Log added to the agenda and noted it as a useful communication of actions completed.	<b>agreed at the next meeting.</b>
6. Action Log from the meeting on 28.11.2022	<p>Action Log from the meeting held on 28/11/2022</p> <ol style="list-style-type: none"> <li>1. 08.07.2022 minutes to be signed – <b>not completed due to no face-to-face contact with trustees. Software being investigated.</b></li> <li>2. Trustees to be invited to Business Continuity Planning exercise – <b>Identified that BCP was not yet embedded. No tabletop exercises are currently being run by schools. This should be illustrated in the risk register once risk owners have updated their controls.</b></li> </ol> <p>A brief discussion took place around this item. The CEO outlined that two schools have run a business continuity exercise when unexpected events happened, such as an intruder in the school and a hot air balloon landing on school land. The CEO asked whether it would be acceptable for Trustees if schools endeavoured to complete this exercise before July. The Head of Shared Services will raise the issue in forthcoming risk review meetings.</p> <ol style="list-style-type: none"> <li>3. Invite SENTRY to present to trustees in the April meeting – <b>completed</b></li> <li>4. Action recommendations from external review of governance – <b>ongoing. Communication strategy not yet looked into, recommendations re CEO appraisal with independent consultant have been put forward and information sent to trustees, recruitment of trustees is ongoing, scheme of delegation will be reviewed over the summer prior to September and skills audits have been sent out but disappointing response received from trustees with only three returned. Will be sent out again in July together with declarations of interest renewal for next academic year.</b></li> <li>5. Purchasing and payments to be reviewed in 2022/23 internal audit and financial planning and budgetary control reviewed in 2023/24. CR to manage.</li> </ol> <p>A short discussion took place following this item. Chris Rising from the auditors confirmed that the audit of the financial and budgetary control had already taken place. The Chair commented that Trustees had asked for purchasing and payments to be audited this time and budgetary control next year. The CFO proposed that the auditors add the purchasing payment audit on to the audit this year. The auditors agreed to make best endeavours to include it in this year's audit plan.</p> <ol style="list-style-type: none"> <li>6. Risk register controls will be identified and assigned to Threats - <b>completed risk register updated to include controls.</b> Commence the recording of how embedded controls are to each threat - <b>Meetings being held with all Risk Managers to show them how to record risks and to ascertain how embedded each of their controls are. Meetings taking place 17th April - 28th April.</b></li> <li>7. DU to change R1/R4 to him as the owner, R2 to PW as owner and R9 to JC as owner – <b>completed</b></li> </ol>	<p><b>LAB governors to be invited to the schools BCP table top exercises. DU to raise this with HT in upcoming risk review meetings.</b></p> <p><b>Auditors to include purchasing and payments in to the audit taking place.</b></p>

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	<p>8. JC to investigate if there is a benefit as part of the GDPR review sending an annual communication to the team asking them to provide full support to the risk management team – <b>completed and will be part of the communication annual GDPR review</b></p> <p>9. DU to set CR up with GDPR sentry log in details - <b>completed</b></p> <p>10. DU to share the PWS ICO report with trustees – <b>submitted with papers for the meeting</b></p> <p>11. DU to add the reporting period to future reports - <b>completed</b></p> <p>12. PO to manage the ratification of the following policies Acceptable Usage policy, Cyber-security Incident Response Plan – <b>completed</b></p>	
7. Internal Audit - McIntyre Hudson	<p>The internal audit report was circulated in advance of the meeting and presented in the meeting by Chris Risling of MacIntyre Hudson. The background to the audit was briefly explained together with the work undertaken. The trust was audited as a whole and a deep dive into two schools; the NIA and Prince William School were completed. The overall RAG rating of the audit was green with one low priority recommendation made as part of the findings which will be implemented as part of the budget setting for 2024/25.</p> <p><b>Following a question from a Trustee around whether this was a particularly good audit or whether this was a typical report for the sector, the auditor explained that three years ago, there were opportunities for improvement at EMAT, but since then, processes and procedures have been strengthened and that auditors do not always come up with the same level of assurance or so few recommendations for other trusts.</b></p> <p><b>A further Trustee congratulated the CFO and his team on the fabulous audit result and asked whether the budget was too far advanced to bring in any changes for this year.</b> The CFO responded that the budgeting process commences in February with the budget assumptions document which explains the strategic finance and sets out what is endeavouring to be achieved. There is a well-established timeline but it is not currently outlined in the document, hence the recommendation that a brief explanation of the process is included in future assumptions documents.</p> <p>The auditor thanked the CFO and asked for extended thanks to be passed on to the finance team for the work undertaken.</p>	
8. Risk Register	<p>The Head of Shared Services outlined that an action from a previous meeting was to ensure that the Trust can evidence on the risk register that controls are in place to mitigate risks. Work has been undertaken on this with the exception of the governance team as the new Head of Governance was one week in post when the meetings were taking place. A Trustee commented that the embedded document links do not work.</p>	

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	<p>The Head of Shared Services outlined that the only piece of work left to be undertaken is for risk owners to identify how embedded the controls are in order to justify the risk scores. Risk owners have been asked to look at their risks line by line to produce a rag rating against each control. When completed, the risk register will become a live document and will be kept updated.</p> <p><b>A Trustee commented that there were 962 controls which seemed like far too much work to keep up to date with and that risk owners needed to work out which controls were critical and reduce the others.</b> The Head of Shared Services outlined that there is a lot of duplication as each school has its own Safeguarding policy and its own teaching and learning threats for example. <b>A Trustee suggested using common controls to mitigate common risks and adding the more specific ones which would mean that one risk is recognised rather than seven of the same risk. A Trustee further commented that the position the committee would like to see is that the top risks needing additional senior management focus are identified and reported on.</b> The Head of Shared Services outlined that the top three or five risks will be reported on and Trustees given the opportunity to ask questions around these risks.</p> <p><b>A Trustee commented that for example, the quality of education at the NIA is scored very highly and that controls in place at Orchard have only mitigated 20% of the risk and therefore residual scores need to be maintained at an acceptable level and focus should concentrate on the assistance Headteachers need in order to improve the risk scores.</b> The Head of Shared Services commented that the new Executive Headteacher for the NIA has only been in post for eight weeks and has not been able to spend a great deal of time looking at the risk register. The CFO outlined that the NIA risk score reflects the journey the school is on and the current position and that mitigations were being put in place and the same at Orchard Academy.</p> <p><b>A further Trustee reiterated that local advisory boards will need to monitor the risk register for individual schools and it needed to be decided what is useful to be reported on a regular basis which would probably be the six to ten overall issues that keep the Headteacher awake at night.</b></p> <p>Thanks were given to the Head of Shared Services for the work completed on the risk register.</p> <p>The Head of Shared Services asked for questions around the Arbor paper presented to the committee (and in advance of the meeting) at the request of the Finance, HR and Estates Committee members. <b>Following a question from a Trustee around whether the system has been tested and whether anything had not gone to plan,</b> the Head of Shared Services outlined that lessons learnt had been used to improve the process for Trust schools who have not yet implemented the system.</p>	

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	<p><b>Following a question from a Trustee around the data architecture and whether that had been tested</b>, the Head of Shared Services responded that data had been retrieved both for a recent Ofsted visit and the internal audit.</p> <p>The Head of Shared Services outlined the ICO report from the data breach at Prince William School. Trustees were satisfied with the process followed and the outcome.</p>	
9. GDPR Update	<p>The GDPR report was circulated with the papers in advance of the meeting. The Head of Shared Services outlined that the papers have been presented to the local advisory boards to help drive improvements and that the current area of concern is around staff completing GDPR training. The CEO informed Trustees that Headteachers have been targeted to see if they can improve their results by the time of their local advisory board meetings and outlined that some of the staff who have yet to complete their training are Lunchtime Supervisors who attend the school for two hours each day and require additional payments to be arranged in order for them to stay to complete their GDPR training.</p> <p><b>Following a question from a Trustee as to whether incidents of staff members sending documents to the incorrect person could be reduced</b>, the Head of Shared Services outlined that there are measures in place such as a Trust email address book, but that mistakes still occur and that the vast majority of data breaches are down to emails being sent to an incorrect person. The Trust is currently looking at a strategy for school communications to parents taking place via the new Arbor system as the system controls are such that it will not allow someone to send something to the incorrect person as parents are linked to children in the system. The Head of Shared Services also commented that blocks are being added to the email system to reduce the likelihood of this further, together with a five second delay for emails allowing for retrieval. The Head of Shared Services informed Trustees that the Trust is launching a new platform for GDPR from September and training will be re-launched at that point.</p> <p>The representative from SENTRY was unable to be dialled in to the meeting. Attendance was requested by Trustee at the next meeting.</p>	<p><b>Representative from SENTRY to be invited to the next meeting.</b></p>
10. Finance update	<p>The CFO provided a brief verbal update on the finances as they had previously been discussed at length during the recent Finance, HR and Estates Committee meeting.</p> <p>The February management pack which was circulated to Trustees showing a surplus of 106k for the half year against a forecast of 212k and a budget of 235k. The CFO further explained that March accounts were currently being worked on and draft figures indicated that the surplus has reduced to 94k. Mainstream</p>	

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	<p>additional grants will be received from 1 April 2023 to assist with the gap in funding of the pay rises as previously discussed. The CFO outlined a blip with the NIA accounts in March in relation to an agency spend which was higher than anticipated. This was picked up quickly in the finance department and within a week the 30k overspend was identified and a control measure requiring the Headteachers authorisation put in place. The CFO anticipates that the funds will be recovered over the course of the next five months. The CFO outlined that this should give Trustees assurance that robust systems for monitoring are in place and that corrective action is immediately taken.</p> <p>The CFO provided an update on the capital project to refurbish the sports hall at Prince William School. The revised planning application was submitted in March and the construction company are market testing designs to ascertain pricing. The project will use all of the Trust's available capital funding for the next two years in order to deliver the project. Discussions are still underway with the local authority to fund some of the cost. <b>A Trustee asked whether the time was right to engage with some political discussions in order to resolve the discussions around the section 106.</b> The CFO outlined that the Trust is giving the local authority the chance to find the promised funding. A Trustee asked whether the CFO would like him to get involved and have a word with the Leader of North Northamptonshire Local Authority. The CFO confirmed that this would be helpful.</p> <p><i>Governance Professional Note: The Head of Shared Services left the meeting at 7.10pm.</i></p>	<p><b>NB to speak to the Leader of North Northamptonshire LA re section 106.</b></p>
11. Policies	<p>The following policies were circulated together with the papers for the meeting:</p> <ul style="list-style-type: none"> <li>• CCTV Policy</li> <li>• Data Protection Policy 2023-25</li> <li>• Data Breach Policy 2023-25</li> <li>• Data Protection Impact Assessment Policy 2023-25</li> <li>• Data Protection Subject Access Request Policy 2023-25</li> <li>• Appropriate Policy Document 2023-25</li> <li>• Information Security Policy 2023-2025</li> <li>• Password Policy 2023-2025</li> </ul> <p>As the meeting was not quorate, the policies could not be approved. The Governance Professional to seek approval from Trustees via a Microsoft Forms.</p>	<p><b>JP to seek approval for policies outside of the meeting</b></p>
12. Items For Next Meeting	<ul style="list-style-type: none"> <li>• SENTRY to be asked to present at the next A&amp;R meeting</li> <li>• Some time at the strategy day to be potentially used to involve Trustees in the BCP exercise</li> <li>• The procurement bill comes in next Spring. Please ensure that a paper is prepared for the FHRE committee meeting.</li> </ul>	

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13. Any Other Business	<p>The Governance Professional asked for an indication of when Trustees would like the committee meetings to be scheduled. NB outlined that he would find it difficult to attend meetings during the working day following taking up a new appointment.</p> <p>The CEO shared the result of the recent Ofsted inspection at Hardingstone Academy. <b>Trustees passed on thanks to the school for all of the hard work involved.</b></p> <p>The CEO provided an update on the forthcoming industrial action which lead to the cancellation of the trust strategy event. Indications are that all Trust schools will remain open and certain year groups prioritised for attendance. Orchard Academy has the highest number of striking staff and the Trust are working closely with the school to ensure adequate staffing.</p> <p>There being no other business, the meeting closed at 7.30pm.</p>	
14. Dates of Next Meetings	<p>Dates for the academic year 2022/2023 have been set.</p> <ul style="list-style-type: none"> <li>10 July 2023 at 10.00am</li> </ul>	Invites to meetings had been sent

**The meeting ended at 7.30pm**

**Signed by Audit & Risk Committee**.....

**Name**..... **Date**.....

**Action log of the Audit and Risk committee meeting held 19.04.2023**

No.	Action	Owner
1.	Governance Professional to send out link to the declaration of interests form to NB to update his declarations in accordance with a new role	JP
2.	As the meeting was not quorate, agreement of the minutes will be done at the next meeting.	JP
3.	CR agreed to add purchasing and payments audits project to the current year audit plan.	Chris Rising
4.	LAB governors to be invited to the schools BCP table-top exercises. DU to raise this with HT in upcoming risk review meetings. Trustees to be asked to attend one BCP simulation.	DU/JP/PO/
5.	Representative from SENTRY to be invited to the next A&R meeting	DU
6.	NB to speak to the Leader of North Northamptonshire LA re section 10 discussion.	NB
7.	JP to seek approval for policies outside of the meeting.	JP

8.	The procurement bill comes in next Spring. Please ensure that a paper is prepared for the FHRE committee meeting.	<b>NP</b>
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