RICHARD HUISH TRUST
AUDIT & RISK COMMITTEE MEETING

17th September 2024 at 5:00pm

Virtual via Microsoft Teams

Committee Members present: Dan Maycock (Chair)
Jade Renville
Olivia Salaman
Pat Flaherty

In attendance: Paul Lonsdale (CFO)
Richard Anderson (IT & Facilities Director)
Jessica Doyle (Finance Manager)

Clerk: Helen Wells (Governance Specialist)

MINUTES

AUD 24/01 **1. MEETING FORMALITIES** **Action**

1.1 Welcome and apologies for absence

The chair welcomed everyone to the meeting. There were no apologies. The meeting was quorate.

AUD 24/02 **1.2 Declaration of interests**

None of the committee members present had declarations to make in relation to items on the agenda.

AUD 24/03 **1.3 Minutes of the previous meeting**

Directors agreed the minutes of the previous meeting on 2nd July 2024 were accurate and the Chair consented for his electronic signature to be used to formally sign them off.

AUD 24/04 **1.4 Matters arising**

Directors discussed the matters arising report noting all items as complete or pending.

2. STRATEGIC OVERVIEW

2.1 Strategic Risk Register

AUD 24/05 **Final review 2023/24 including cyber update**

Directors discussed the risk register for the previous year, noting the impact of the recent removal of the Ofsted single word grading system on Pyrland School, the CFO assured directors that this had been considered in light of the changing national picture. Directors discussed risks associated with the performance of the school that need to continue to improve. The register was monitored over the course of the year by the committee who expressed confidence in the accuracy and content of the final version. Directors noted that a full discussion about the strategic position for Pyrland will be held at the next full board meeting.

AUD 24/06 The Director of IT & Facilities updated directors with regards to cyber security requirements, detailing that the ESFA now require that Cyber Essentials must be obtained this academic year which is a significant undertaking.

AUD 24/07 **Is the requirement for Cyber Essentials Plus?**
The requirement is not for the plus version; the essentials version requires answering of questions about our cyber security, the plus version involves testing of those responses. The list of requirements to meet the essentials will entail additional areas of work to establish the trust's ability to meet those criteria.

AUD 24/08 A second internet connection is being funded by Jisc to bring an additional 1GB fibre connection into the college. This connection will be separate to the existing connection and will help mitigate any failure of that connection. Directors discussed the changes in staffing that may impact on the trust's cyber capabilities and how this is being mitigated for.

AUD 24/09 **With the new government is there anything directors need to be aware about in relation to new or emerging policy?**
T-Levels were due to be reviewed by the new government, but this has been abandoned and leaves some students without course options where funding for vocational qualifications has been withdrawn. To mitigate for this, vocational pathways are being developed by the college to bridge the gap. The challenges around marketing the composition of different qualifications may be challenging.

AUD 24/10 Directors reflected on the higher scoring items on the register. Directors agreed there is no need for changes with the headline risks. The CFO outlined that the executive team have been reviewing the consistency of scoring and mitigations to ensure the internal control mechanisms are realistically scored.

AUD 24/11 **Does the risk register align with what the trust and board are talking about day to day?**
Directors agreed that the register is in alignment with the key topics that are being discussed and the main concerns over time.

AUD 24/12 Directors noted that consistency of language across the register could be considered more closely. The CFO described how broader considerations of impact of risks beyond the trust is included in the scoring. The wording of the secondary phase risk was discussed.

AUD 24/13 **Register for 2024/25**
The CFO noted that there are no plans to make any changes to the headline risks in the register for this academic year, directors agreed there is no need for change.

AUD 24/14 **2.2 Review of complaints in 2023/24**
The clerk summarised the overview of formal complaints received in the previous academic year, noting that it is important for directors to have strategic oversight of complaints to assure themselves of the level of risk that may be associated with how complaints are managed and to understand how well the associated policy is being operated. Directors discussed the report and agreed gives a helpful insight as an indicator of the performance of the trust. Directors suggested that the report could sit within the oversight report so that all directors could have sight of it.

AUD 24/15 **Does the report include complaints made by students or received by other parties?**
Directors discussed the nature of complaints recorded and whether this captures every kind of complaint. The clerk confirmed it only captures complaints that have been subject to the Complaints Policy, not any informal complaints or complaints received by other parties about Huish. It does include recording where complaints are escalated to the DfE, although there were none that were known of for the previous year.

ACTION: Explore the inclusion of the complaints report within future oversight reports. **Clerk**

AUD 24/16 **2.3 Cases of fraud and whistleblowing**
The CFO confirmed there were no cases of fraud of whistleblowing since the last meeting.

3. AUDIT ARRANGEMENTS

AUD 24/17 **3.1 Summary internal audit report 2023/24**

Directors reviewed the internal audit report for the previous year. There were no significant issues raised. Directors noted the continuing challenges around the finances associated with the nurseries and preschools across Huish. A new Director of Nurseries has recently taken up her new post whose key focus will be to achieve efficiencies and consistency across the provision, primarily with how the software (Famly) for managing finances and other aspects of the nurseries is utilised.

AUD 24/18 **Is there a timeline by when these actions will be achieved in relation to the nurseries?**

Issues need to be resolved as soon as possible but may require some time to get under the skin of the issue with the effective utilisation of the software.

AUD 24/19 Directors noted that the Director of Nurseries will be giving the committee an update at their May meeting.

AUD 24/20 The assurance plan for the current academic year will be available for the next meeting for directors to consider.

AUD 24/21 Directors confirmed they were happy with the approach of the trust with regards to the DBS checks item on the report which is fully aligned with the Keeping Children Safe in Education requirements.

AUD 24/22 **3.2 Internal audit arrangements**

The CFO updated the committee that the internal audit function is being re-tendered. There are a number of providers locally that are interested in tendering. The internal auditors will cover standard activities such as the Academies Trust Handbook (ATH) checks whilst other areas specific activities will be covered by external specialists. Directors discussed the focus and format of agreement for internal audit. Directors agreed that the plan with regard to the tendering process and that the decision for appointment will be made by the committee.

AUD 24/23 **3.3 Accounting Officer (AO) Checklist 2023/24 - draft**

The chair outlined the purpose and context of the AO checklist which is led by the external auditor to help ensure that the trust is compliant with its end of year reporting activities. Directors agreed the checklist is accurate, and drew assurance from having previously reviewed the Academy Trust Handbook (ATH) checklist for the previous year.

4. POLICIES/KEY DOCUMENTS

AUD 24/24 **4.1 Academy Trust Handbook 2024 updates**

Directors noted the changes with particular reference to the change in relation to cyber requirements as discussed earlier in the agenda.

AUD 24/25 **What is the position with regard to the reserves and potential for schools to be in a deficit this year?**

Directors discussed this in relation to the update for item 2.8 in the ATH about having a clear plan to manage reserves. Directors noted that the risk register includes reference to reserves and that the ESFA look at reserves for the trust as a whole but, in the budget and accounts return, it is required to report on each individual academy's reserves position. Those schools with lower reserves are aware of the implications for the trust as a whole and this has been explored at length with the executive team. Huish do not currently pool reserves so any school in a deficit position would have to 'borrow' from other schools. The CFO added that the latest budget finance return has included setting challenging targets for schools that could fall into this position. The trust's previous position of having low reserves has now changed with the ESFA's guidance that anything less than a 5% reserve is deemed to be financially risky; each academy who has less than this is now on a reserves improvement trajectory to reach at least 5% and will be monitored through the Finance & General Purposes (F&GP) Committee via the quarterly budget report.

AUD 24/26 Directors discussed the ethos and approach around setting challenging budgets and the impact this can have particularly on small schools. The trust's position to General Annual Grant (GAG) pooling was touched upon as a subject that is regularly discussed with the F&GP Committee.

AUD 24/27 **4.2 Risk Management Policy**
The CFO highlighted the Risk Management Policy as a chance for all directors to ensure they understand Huish's approach to managing risk and therefore the strategic risk register. The policy is not due for review at this time.

AUD 24/28 **5. COMMITTEE MATTERS**

5.1 Plan for attendance at future meetings
Directors noted and agreed the plan for representation at future committee meetings from academies and senior leaders from within Huish.

6. ANY OTHER BUSINESS

AUD 24/29 **6.1 Agenda for next meeting**
Directors noted the agenda for the next meeting and requested that the appointment of the internal auditor is added to it as discussed earlier in the meeting.
Directors noted that there is currently an audit underway of apprenticeships at the college by the ESFA. Directors asked that a full update on this area of activity would be useful at a future meeting.

ACTION: Ensure the appointment of the Internal Auditor is added to the next agenda. **Clerk**

ACTION: Provide an update on apprenticeships including the outcome of the ESFA's audit at a future committee meeting. **CFO**

AUD 24/30 **6.2 Confidential items**
Directors agreed there were no confidential items for the minutes.

AUD 24/31 **6.3 Any other business**
There was no further business.

AUD 24/32 **6.4 Dates of future meetings**
Directors noted the dates of future meetings.

There being no further business the meeting ended at 7.00pm

Signed:……*Dan Maycock*……………………………………….. Date:…28th November 2024……………………….