

Meeting	Risk, Audit and Compliance Committee	Date	22 March 2022
Location	Broadstairs Executive Boardroom	Time	3.15pm
Membership	Peter Goldsack (Chair), Peter Troke (PT), <i>Graham Razey (GR)</i>		
In attendance	Tammy Mitchell (CEO), Chris Legg (CFO), Sharon Hollingsworth (DoG), Nicole Leader – Notetaker Guest - Christiaan De Lange from Azets (item 5 only)		

Italics indicates absence

	ITEM	COMMENTS	ACTION
1	Welcome and Apologies	The Chair welcomed everyone to the meeting. Apologies was received from Graham Razey.	
2	Declarations of Interest	There were no additional declarations to the meeting other than those declared as standing.	
3	Minutes of the meeting held 6 December 2021	Minutes of the meeting held 6 December 2021 were reviewed as an accurate record and duly signed by the Chair following the meeting.	
4	Matters Arising not covered by this agenda:	<u>Item 7, Health & Safety Compliance update</u> A verbal update was provided by the CEO explaining that there were no outstanding landlord H&S compliant issues. The CEO drew attention to medium risk items at the academies noting that all are booked in to be completed. The Health and Safety audits across the schools had been completed. The findings detailed two issues relating to fire alarms and fire procedures. The CFO clarified that there was no cause for	

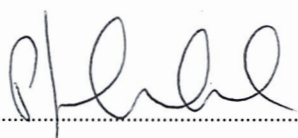
		<p>concern. The Trust has applied for Condition Improvement Fund (CIF) to help fund the improvements required.</p> <p>The CEO advised that the Committee is due to receive an H&S update report at the next RAC Committee meeting and a report from the safeguarding audits being carried out across the schools.</p> <p><u>Item 11</u> – the costs confirmed for Internal Audit Service £2,500 + VAT was noted</p> <p><u>Item 14</u> – correspondence between the Trust and MHA, External Auditor re: YE 2021 Audit was noted</p>	Agenda
5	Internal Audit Report	<p>Christiaan De Lange from Azets joined the meeting at 3.35pm to present the Internal Audit Report findings and highlighted the following:</p> <ul style="list-style-type: none"> - First time Azets completed the Internal Audit for Schools Trust alongside the Group Internal Audit. Audit work was completed in February. - Azets had received the last set of findings from previous auditors. - Detailed and Summary report provided, the summary report will be submitted to ESFA in December as part of the audited financial statements for the Trust. - Overall findings were that systems and controls are operating well in accordance with the Schools Trust Financial regulations and procurement process. - When sampling purchase orders a point was raised around purchase orders not being raised. Management feel that the risk is low due to checks and controls that are place and have no concerns with this finding. This was noted in the report and recorded as a positive judgement. - Clear approval trail for bank reconciliation required (as per the Academies Financial Handbook). 	

		<ul style="list-style-type: none"> - Azets confirmed that the ESFA consider that non-financial controls should be audited on a rotational basis. - Azets confirmed that they have no concerns that the ESFA will flag the report as they are minor points, and the report was overall positive. <p>The Committee thanked Christiaan for his contribution at the meeting. Christiaan left the meeting at 3.57pm.</p> <p>The matter of GDPR breaches was discussed, the Committee sought assurance that breaches were being controlled and requested a report to be presented at the next RAC Committee meeting.</p> <p>The Chair queried how the Committee will seek assurance regarding non-financial matters, the CFO explained that non-financial areas are scrutinised by the RAC Committee and where deemed necessary the commissioning of external support.</p> <p>Petty cash - it was noted that the maximum petty cash balance and the maximum payment by petty cash is not recorded. There are no set limits. It was agreed that at the next RAC Committee meeting the CFO will present an amendment to the Financial Regulations to deal with the issue of the petty cash. The Financial Regulations will then be presented to Trustees for approval.</p> <p>NOTED: the Internal Audit Report</p>	<p>CEO</p> <p>CFO</p>
6	MAT Risk Register	<p>The CEO and CFO supported by the Director of Governance and EKC Group's Director for Corporate Affairs reviewed the Trust Risk Register in March 2022.</p> <p>The CEO presented the Risk Register and lead Trustees through the changes explaining the rationale to provide Trustees with a deeper understanding.</p>	

		<p>Following the feedback from the RAC Committee at the last meeting, Senior Leaders had developed a Residual Risk Movement Map to provide an overview of the changes and direction of travel of risks on the Register.</p> <p>In addition, the CEO had provided the Committee with a visual representation of the risk register, at the request of the Chair, showing an overview of the current risk position, with indication of the direction of travel from the previous Committee review.</p> <p>Trustees welcomed the new approach and discussed a potential re-set of the Risk Register.</p> <p>Trustees were comfortable that sufficient assurance could be provided to the Committee through discussion of the Risk Register visual diagram alongside the movement map and the reporting on the rationale behind each increase and decrease in risks.</p> <p>It was agreed to pause the deep dive review of three risks at each meeting moving forward.</p>	CEO
7	EKC Schools Trust Long-term Financial Planning	<p>CFO presented a paper already shared with the Finance Committee but asked the RAC Committee to focus on the risk element of the paper.</p> <p>The CEO and CFO have developed the plan to ensure mitigation of risk for both the Trust and the Group.</p> <p>It was noted that both Briary and Bysing Wood have Local Authority-agreed growth plans to accommodate children in future housing projects locally over the next few years but as this work is yet to start, the increased financial contribution from these two schools has not been included in the Growth plan, 5 years is a realistic timeline.</p> <p>There is a new housing development planned at Westwood Cross, at the point of announcing a new school the authorities will inform the Trust and at this point a bid for the new school could be submitted.</p>	

		<p>The CFO led Trustees through the presented spreadsheet forecasting income and expenditure document.</p> <p>Trustees agreed that they were clear regarding the risk of the financial planning document and thanked the CFO for the update.</p> <p>NOTED: EKC Schools Trust Long-term Financial Planning</p>	
8	Any other business	The CEO reported that the Commercial Transfer Agreements and leases relating to the two new schools joining the Trust have been signed in preparation for conversion.	
9	Matters considered confidential	None	
10	Date and time of next meeting	The next meeting will be held on 26 May 2022	

There being no further business the meeting closed at: 16.54

Signed: 

Print: Peter Goldsack

Date: 26/5/22