

AUDIT AND RISK MANAGEMENT COMMITTEE

Minutes of the hybrid meeting held on 19 November 2024 at 4.30pm

Present physically: D Bicker, Trustee J Wakelam, Trustee - **Vice Chair**

Present virtually: R Attwell, Trustee R Inman, Trustee - **Chair (part)**
R Murray, Trustee

In attendance: A Brewster, Group Head of Finance
A McGarel, CFO
G Kerkham, Larking Gowen
H Stewart, Larking Gowen
L Carroll, Group Head of Project Accounting, Risk and Transformation
K Williamson, Scrutton Bland
N Savvas, CEO
S Gales, Governance Professional
S Prickett, Group Director Finance & Operations **(part)**

Apologies: P Frazer-Gale, Committee member
S Hope, Group Director of Compliance and GDPR

Absent:

1. Declaration of Interests and Apologies for absence

J Wakelam declared her role as a Governor of West Suffolk College and R Inman declared his role for Stone King LLP. No other conflicts of interest in relation to the items of the agenda were declared.

Apologies were received by P Frazer-Gale.

R Inman and S Prickett joined the meeting at 4.33pm

2. Annual Report of the Committee

Members received and considered the draft Annual Report of the Committee.

Members discussed the low aggregate attendance in 2023/24 and suggested a note be added to explain the actions taken to improve attendance of the Committee for 2024/25.

Members discussed the 'value for money' section on pages 3 and 4 and noted that the Finance Committee review this, rather than by this Committee, and queried if this is a required section or should be amended or removed. The CFO to review and amend appropriately.

Members **granted delegated authority to R Inman** (as Committee Chair) to review the amended report **and agreed to recommend it to the Trust Board** for approval.

3 2023/24 Audited Accounts

Members received and considered the draft accounts and discussed the findings alongside agenda item 4 below.

4. External Auditor's Audit Findings Report

Members received and considered the report and G Kerkham summarised the key points.

G Kerkham commended the clean, unqualified audit, with no modifications or recommendations, or internal control observation points.

Members commended the Finance team on the successful audit.

Action

CFO
Gov. Prof.

CFO

R Inman

Members queried if the deficit at ASFC was planned. The CFO confirmed it was as stated on page 68 of the accounts.

A Brewster informed the Trustees' report and 'Reserves Policy' section are being finalised and summarised the planned changes.

Members queried if the External Auditor's opinion is that the Trust's Reserves Policy is sufficient and appropriate. G Kerkham referenced the ESFA guidance on page 14 and advised that the Trust's levels of reserves are within the guidance range, and so are appropriate.

G Kerkham noted typos on page 78 of the accounts will be corrected.

G Kerkham and H Stewart left the meeting at 5.14pm

5. Internal Auditor's Audit Findings Report

Members received and considered the report and K Williamson summarised the key points.

K Williams noted their opinion is that for the year ended 31 August 2024 the Trust:

- Has adequate internal controls in place.
- Has adequate governance arrangements.

Moreover, of the internal audit work conducted in 2023/24, two were graded as **significant assurance** and one was graded with **reasonable assurance**. K Williamson commended that there were no limited assurances or high-risk recommendations.

Members queried how the Internal Auditor's reports are utilised by the External Auditor's as a form of assurance. The CFO advised that the External Auditor's have access to the reports, and it is used as a form of assurance, however the External Audit is independent and thoroughly evaluates their scope of work irrespective of any prior Internal Audit's undertaken.

Members discussed the report along with agenda item 9 below.

Members discussed the ongoing low risk Health and Safety recommendations and queried whether, as these relate to Health and Safety, un-actioned recommendations are a risk to the Trust. L Carroll informed the recommendations are currently being implemented and will be reviewed as part of the Follow-Up audit in December 2024. Moreover, L Carroll explained that an added complexity is that while the Executive may have implemented the recommendations across ASFC and OSFC (i.e. the entire Trust in 2023/24), they might not yet be fully implemented across Exning Primary School and the five specialist SEN schools (i.e. the schools which joined the Trust in 2024/25); which is delaying the closure of the recommendations. Members asked for a target completion date column to be added to the tracker and for the Health and Safety recommendations to be prioritised for completion by the end of the calendar year.

Members discussed the recommendations raised in the Procurement audit and queried whether these are still relevant and achievable. K Williamson noted these will be reviewed as part of the Follow-Up audit and updated if appropriate.

Members discussed Appendix B of the report and queried the number of comparators used in the benchmarking analysis and whether there are concerns. K Williamson informed the benchmark is against approximately 35 colleges, though noted the small number of internal audits undertaken at the Trust will have skewed the percentages – so there are no concerns. Members asked future reports to benchmark against comparable MATs.

L Carroll
S Hope

Scrutton
Bland

K Williamson and R Murray left the meeting at 5.25pm

6. Minutes of the meeting held on 8 October 2024

The minutes of the meeting on 8 October 2024 were **agreed** as an accurate record.

7. **Matters Arising from meeting on 8 October 2024**

One matter arising was complete, one was due for reporting in Spring 2025, and one is discussed as part of agenda item 8 below.

8. **Risk Management Update**

Members received and considered the proposed new Risk Register which includes **2 red, 14 amber, 6 yellow** risks, with twelve new Group-wide risks. L Carroll summarised the key points.

Members commended the significance progress in developing the new Risk Register and the radar.

Members suggested the pre-mitigation column be RAG rated and the current and future mitigations be updated.

Members discussed EEG020 (relating to cultural integration) and agreed that following the recent growth of the Trust, this is the most significant risk. The CEO outlined how the Executive are working to create an integrated staff body in furtherance of our Group strategy – one organisation, multiple locations. The CEO noted that culture takes a while to embed following significant change and noted there are key milestones we are measuring progress against.

Members noted the inter-relation between EEG020 and EEG004 (relating of Ofsted) as ineffective cultural integration could lessen the Trust's ability to support improvements at the individual specialist SEN schools.

Members discussed EEG010 (relating to maintenance) and asked for further detail at the next Committee.

Members discussed how to distribute the risks (via the Risk Register Extracts) to the Committees. The CEO and CFO to recommend the distribution to this Committee and EEGT's Audit and Risk Management Committee for approval.

Members **approved** the Risk Register, subject to the amendments above, and **agreed to recommend it to the Trust Board**.

9. **Audit Recommendations Tracking Report**

Members received and considered the report provided which shows that 14 of the recommendations are considered low risk and 3 are considered medium risk.

10. **Incident Management Update**

Members received and noted the report provided.

11. **Policies**

i. **Whistleblowing policy**

Members received and considered the updated policy, and the Governance Professional explained the rationale for the proposed changes.

Members asked for the policy to include a response timeline.

Members **agreed** to review the updated policy via email in readiness to recommend it to the Trust Board.

J Wakelam left the meeting at 5.50pm

12. **Any Other Business**

- **Ofsted**

Members congratulated WSC (as the Trust's sponsor) for their successful Ofsted.

The meeting closed at 5.58pm

L Carroll

L Carroll

S Hope

