

Kirklees Directorate for Children and Adults

Company no: 07729878

THE BOARD OF DIRECTORS OF SHARE MULTI ACADEMY TRUST

Minutes of the Meeting of the Audit & Risk Assurance Committee held at 5.00pm at Shelley College on Tuesday 5 June 2018.

Present

Mrs A Poppleton (Chair), Mr M Dunkley, Mr J McNally, Mrs C Potterton, Ms S Strafford, Mr V White

In Attendance

 Ms E Kilner (Minute Clerk)
 Ms B Stapleton (Facilities Manager)

Agenda Item	Discussion and Decisions	Action – who/by
148.	Apologies, consent and declarations of LAAPs and interests <ul style="list-style-type: none"> • Apologies were received from Ms D Howard with consent. • Mrs A Poppleton was declared as a LAAP. • The following declarations of interest were made: <ul style="list-style-type: none"> - The wife of Mr M Dunkley works at Shelley College. - The mother in law of Mr J McNally has been appointed at Cowlersley Primary School as an Interim Head Teacher. 	
149.	Business of Meeting The order of business was agreed as that of the agenda previously communicated to the attendees.	
150.	Matters for any other business There were no matters to be discussed under any other business.	
151.	Minutes of the previous meeting held on 17 April 2018 RESOLVED: That the minutes of the meeting held on 17 April 2018 be approved and signed as a correct record of the meeting subject to the change below.	

Agenda Item	Discussion and Decisions	Action – who/by
	<p><u>Minute 137(c) Page 55</u></p> <p>'It was confirmed that the Remuneration Committee met on 16 March 2018' to be replaced with 'The Directors discussed Remuneration at the Directors meeting on 16 March 2018'.</p>	
<p>152.</p>	<p>Matters arising</p> <p>a) <u>Appointment of committee (minute 125(a) refers)</u></p> <p>It was noted that members of the SHARE MAT trust have been invited to join the Audit & Risk Assurance Committee.</p> <p>b) <u>Review the SHARE MAT annual reports and Financial Statements Year Ended 31 August 2017 (minute 126 refers)</u></p> <p>It was confirmed that the gender pay gap report has been circulated to all members of the committee.</p> <p>It was agreed that actions being taken to address the gender pay gap will be discussed at the next meeting of the Audit & Risk Assurance Committee in September 2018.</p> <p>c) <u>Trust growth (minute 138(a) refers)</u></p> <p>It was noted that the actual growth funding received was £65,000 not £90,000.</p> <p>Mr J McNally updated that the local authority has requested £35,000 to cover the legal costs of changes to PFI contracts. It has been agreed in principle that the Local Authority will cover up to £30,000 of costs and the remaining £5,000 will be covered by SHARE MAT if required. This will be funded from the £65,000 growth funding that has been received.</p> <p>It was noted that Thornhill have already received conversion funding from the DfE when they converted to a trust. The DfE current position is that they will not provide funding for Thornhill to join the SHARE MAT but this is still being discussed with DfE.</p> <p>Q. Does the CEO need any support from Directors and Governors?</p> <p>A. The CEO is happy to progress negotiations but highlighted the risk to conversion timescales due to PFI contracts.</p>	<p>CP</p>

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	<p>d) <u>Audit & Risk Committee focus (minute 138(c) refers)</u></p> <p>Mrs C Potterton updated that the budget is not yet complete. The budget will be presented to the Directors for approval in July.</p> <p>The process has been more difficult than usual due to funding constraints.</p> <p>School budgets are currently being progressed:</p> <ul style="list-style-type: none"> • Shelley College – currently a small surplus • Thornhill – almost balanced for next year • Millbridge – currently in deficit and a savings plan will be put in place with consultation planned to start in September. <p>Q. How will the savings plan impact the school? A. Savings will be made from Teaching Assistants and working closer with Heaton Avenue.</p> <ul style="list-style-type: none"> • Heaton Avenue – In surplus and no issues in longer term • Royds Hall – meetings are planned but a savings plan will be required. <p>It was agreed that the Audit and Risk Assurance Committee should meet early in September to allow review of final budgets.</p> <p>It was agreed that Royds Hall budget should be reviewed in detail by the Audit & Risk Assurance Committee.</p> <p>Q. Is the budget issue at Royds Hall related to competency? A. There are issues with the current budget process and level of detail.</p> <p>Q. Are processes in place at Royds hall to manage spend? A. The processes in place are not clear.</p> <p>e) <u>Review of Key Risks (minute 139 refers)</u></p> <p>It was confirmed that work is ongoing to progress all actions. Processes and meetings for consistency review are underway and the risk reporting process continues to be developed.</p>	<p>CP</p> <p>CP</p>

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	<p>f) <u>Approval of Policies (minute 140 refers)</u> It was confirmed that:</p> <ul style="list-style-type: none"> • All policies have been updated as agreed. • The reserves policy has been reviewed and updated. • The £20 limit has been reviewed and updated. • Positive steps are being made towards equality on all boards and committees <p>RESOLVED: That the Lettings Policy should be recommended to the Shelley Governors for approval.</p> <p>g) <u>External Audit Strategy (minute 141 refers)</u> RESOLVED: That the frequency for consideration of change of auditors should be 8 years.</p> <p>h) <u>Internal Audit findings (minute 142 refers)</u> To be discussed later in the meeting.</p> <p>i) <u>Financial Assurance Framework (minute 143 refers)</u> It was confirmed that members of the committee had no comments or questions on the Financial Assurance Framework.</p>	
153.	<p>Feedback from SHARE Directors Meeting. Mr J McNally updated the meeting.</p> <p>a) <u>Trust growth</u> The conversion process is well underway. The TUPE process is expected to be straightforward but issues are expected with the legal process of transferring PFI contacts.</p> <p>A deficit of £140k has emerged in the Royds Hall budget. The issue was due to not including the top slice for the trust in the budget. A savings plan will need to be put in place from September 2018 which may require staff redundancy.</p> <p>Q. Is Royds Hall an academy? A. It is a Trust School which is similar in status to a Voluntary</p>	

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	<p>Aided School.</p> <p>Q. Have we checked if Royds Hall receives any external funding? A. This will have been checked in the due diligence process.</p> <p>It was agreed that a check should be made for external funding.</p> <p>Q. Has any progress been made with getting the Local Authority to fund redundancy costs? A. This is currently being discussed with the Local Authority.</p>	<p>CP</p>
<p>154.</p>	<p>Approval of Policies There were no policies for review and approval.</p>	
<p>155.</p>	<p>External Audit Strategy Mrs C Potterton confirmed that the next External Audit will follow the same structure as the one this year as there were no specific recommendations.</p> <p>The External Audit is scheduled for 4th November 2018 on site at Shelley College. The Audit & Risk Assurance Committee will review the full audit report before the AGM scheduled for December 2018. The Accounts Return will be made in January 2019.</p> <p>An interim audit was performed in March 2018 and primary school audits will be performed in September 2018.</p> <p>Q. Will the new schools have capacity to prepare for the external audit? A. All schools prepare audit files following the same format and process. The new schools will follow this too.</p> <p>Q. If the new schools join in September 2018, when will the first external audit take place? A. The first external audit will not take place until November 2019.</p>	
<p>156.</p>	<p>Internal Audit findings It was agreed that the final HR and Payroll report will be circulated.</p> <p>Mrs C Potterton updated that Internal Audit checks for next year need to be agreed. These checks will be carried out by the external audit and</p>	<p>CP</p>

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	<p>costs will be incurred.</p> <p>The risks relating to Royds Hall school processes were noted.</p> <p>Q. How much more review of Royds Hall will be done before conversion in September?</p> <p>A. The budget for Royds Hall will be set and monthly budget monitoring and review will follow the same process as all schools in the trust. Any issues should be identified through finance processes.</p> <p>It was agreed that Internal Audit Checks should be agreed at the next meeting in September 2019.</p>	<p>CP</p>
<p>157.</p>	<p>Financial Assurance Framework.</p> <p>There were no further updates on the Financial Assurance Framework.</p>	
<p>158.</p>	<p>Review of Key Risks</p> <p>Ms B Stapleton updated the meeting on changes to Key Risks.</p> <ul style="list-style-type: none"> • The budget is a key risk due to the Royds Hall issue and overall budget pressure • GDPR has been included as a key risk for ongoing review. • Asbestos returns are being completed by all schools. • Returns are required for Radio Active Materials on site <p>Q. Do we have Radio Active Material on site?</p> <p>A. Yes, for experiments.</p> <p>Q. Do the Senior Leadership team have enough capacity given the scale of changes?</p> <p>A. Capacity has been increased with the recent appointments of two Executive Headteachers, Directors of English, Maths and Science, HR Director and Director of Operations.</p> <p>Q. Were these all internal appointments?</p> <p>A. All except one of the Executive Headteachers.</p> <p>Q. Have Teacher Pay awards been agreed?</p> <p>A. Not yet. An uplift of 3% has been included in budgets. The award is expected to be between 1 and 3%.</p>	

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	<p>It was agreed that budgets should be reviewed by the Audit & Risk Committee in September when the actual pay award is known.</p>	
<p>159.</p>	<p>GDPR Update.</p> <p>Mr J McNally updated that Ms B Stapleton (facilities manager) has been appointed as Data Protection Officer (DPO) for all schools in the trust.</p> <p>Ms B Stapleton circulated the General Data Protection Regulation Policy Including Staff and Student Privacy Notices.</p> <p>Q. Has Ms B Stapleton got capacity to take on this role? A. Yes.</p> <p>Ms B Stapleton updated on progress:</p> <ul style="list-style-type: none"> • The Draft policy has been circulated for review. • Briefings are taking place for all staff to make GDPR responsibilities clear. • School Business Managers will be responsible for GDPR in their own schools. • Online training is being planned. Detailed training will be done by all senior staff and essential training will be undertaken by all other staff. • Guidelines will be circulated to all staff after training has taken place. • Data retention requirements are being reviewed. • New consent forms have been prepared. • Privacy notices from suppliers are being saved in the shared area. A check will take place to ensure that privacy notices have been received from all suppliers. • Data collection forms for new students have been reviewed and revised. • Archiving processes are being reviewed. • Clean desk policy for all staff needs to be reinforced. <p>Q. Are consent forms on the website? A. This needs to be checked.</p>	
	<p>It was agreed that a check should be made to ensure consent forms are on the website.</p> <p>Q. Do you have encrypted memory sticks? A. Yes these have been purchased.</p>	<p>BS</p>

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	effectiveness of the committee.	CP
163.	Dates of meetings for the 2017 – 2018 academic year It was agreed that proposed dates for meetings in the next academic year would be circulated.	CP
164.	Agenda, minutes and related papers – school copy RESOLVED: That no part of these minutes, agenda or related papers be excluded from the copy to be made available at the School, in accordance with the Freedom of Information Act.	

The Chair closed the meeting at 6.25pm.

Adele K. Poppleton 18.09.2018

