

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 Thursday 20 June 2019.

Present

Mr M Dunkley (Chair), Mr A Ahmed, Mrs M Campbell, Mrs D Howard, Miss E Lewis, Mr J McNally, Mrs C Potterton, Mr V White

In Attendance

Ms E Kilner (Minute Clerk)

Agenda Item	Discussion and Decisions	Action – who/by
212.	Apologies, consent and declarations of LAAPs and interests <ul style="list-style-type: none"> • There were no apologies for absence. • The following declarations of interest were made: <ul style="list-style-type: none"> - The wife of Mr M Dunkley works at Shelley College. 	
213.	Business of the Meeting There were no changes to the circulated agenda.	
214.	Matters for any urgent other business The following items of other business were noted: <ul style="list-style-type: none"> • Update on the Catering Contract tender process. • Work Programme and Terms of Reference 	
215.	Minutes of the previous meeting held on 21 March 2019 RESOLVED: That the minutes of the meeting held on 21 March 2019 be approved and signed by the Chair as a correct record of the meeting.	

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216.	<p>Matters Arising</p> <p>(a) <u>Matters Arising (Minute 202 refers)</u></p> <p>The Chair updated that the communications process between the Chair of Board of Directors and Chair of Audit and Risk Assurance Committee had been discussed.</p> <ul style="list-style-type: none"> - The Chair of the Audit and Risk Assurance Committee will provide updates and take feedback at the Board of Directors Meeting. - The Audit Work Programme will be presented to the Board of Directors in October 2019. <p>(b) <u>External Audit (Minute 205 refers)</u></p> <p>Mrs C Potterton confirmed that governance had been the subject the recent external review by Mr J McGrath.</p> <p>(c) <u>Financial Assurance Framework (Minute 206 refers)</u></p> <p>Mrs C Potterton confirmed that no comments had been received on the the Financial Assurance Framework. No changes are required to the document.</p> <p>(d) <u>Internal Audit questions from DfE (Internal Scrutiny Questionnaire)</u></p> <p>Mrs C Potterton updated that Internal Scrutiny is expected to be a key topic for the DfE. Trusts need to be aware and prepared for questions from the DfE.</p> <p>ACTION: Mrs C Potterton to circulate a list of reports and submission that go to the ESFA and DfE with timings.</p>	CP
217.	<p>Feedback from the SHARE Directors Meeting.</p> <p>Mr J McNally provided updates from the SHARE Directors Meeting.</p> <ul style="list-style-type: none"> • The Draft Improvement Plan was shared and approved. The Improvement Plan has now been circulated to Head Teachers. The Improvement Plan includes; <ul style="list-style-type: none"> - Curriculum work and the new Ofsted framework. - Vulnerable pupils with special needs including SEMH. 	

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	<ul style="list-style-type: none"> - Consultation relating to the de amalgamation of Royds Hall including name changes and uniform changes. <p>Q. Are there uniform changes at all schools in the Trust? A. All badges will change but uniform changes are only at some schools.</p> <ul style="list-style-type: none"> • An update on the Governance Review by Mr J McGrath was provided and is now available on the shared website. Comments included; <ul style="list-style-type: none"> - Governor recruitment challenges. - Communication processes between Local Governing Bodies and the Board and Directors and Chairs and their Local Governing Bodies. • An initial view of the budget was provided. The budget is not yet finalised. There is an overall surplus and secondary schools are in surplus. Some smaller primary schools are in deficit. <p>Q. Have we considers combining small primary schools? A. Yes this will be considered. In the short term more pupils may be attracted to the schools as performance improves. KS1 results are very positive at Beech and Cowlersley.</p> <p>Q. Are improvements due to the impact of SHARE MAT? A. Yes through clarity of leadership and teacher recruitment.</p> <p>Q. How far is Beech primary from Royds Hall? A. It is a 10 minute drive.</p> <ul style="list-style-type: none"> • An Update on the centralisation of MAT services was provided. The process is progressing well and cost savings will be made. 	
218.	<p>External Audit</p> <p>Mrs C Potterton confirmed that there were no updates for discussion.</p>	
219.	<p>Internal Audit</p> <p>Mrs C Potterton update that the existing audit senior is leaving the current External Auditors. The impacts of this change need to be understood.</p>	

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	<p>Q. Do we need to change External Auditors after 7 years? A. Change should be considered and a tender process will take place.</p> <p>Q. Could the current auditors be reappointed again? A. Yes depending on the outcome of a tender process.</p> <p>Q. When are auditors appointed? A. At the AGM, for the following year.</p> <p>Q. Will updates on Internal Audit work be included in the Trustees report. A. Yes.</p>	
220.	<p>Review of Action Plans</p> <p>Mrs D Howard circulated the Share Multi Academy Trust 19/06/2019 All Risk Items Document.</p> <p>Mrs D Howard and Mrs C Potterton updated the meeting.</p> <ul style="list-style-type: none"> • RED – Failure to recruit skilled and experience Trustees <p>Actions are currently ongoing to recruit Trustees.</p> <p>Mrs J Newson was thanked for pulling together a pack of key documents which can be sent out to anyone interested in becoming a governor.</p> <ul style="list-style-type: none"> • AMBER – Failure to ensure ICT in the school is maintained to the highest standard <p>The ICT team will be part of Central Services. Primary Technology are now working with SHARE MAT and are preparing a report on ICT infrastructure across SHARE MAT. Verbal feedback has indicated some issues. The written report will provide detail when received.</p> <p>An IT Manager and a Deputy IT manager have been appointed and will work across SHARE MAT.</p>	

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	<p>Q. Are the IT team located with Central Services at Shelley College? A. No, the team will be located at sites across SHARE MAT to ensure schools have help on site / close by. Primary Technology are providing a help desk facility.</p> <p>Q. Have any ICT staff been made redundant. A. No, during the Central Services process staff numbers have reduced from 7 to 5 but redundancies have not been necessary.</p> <ul style="list-style-type: none"> • AMBER – Failure to recruit skilled and experience staff Staff recruitment continues to be difficult. The focus is on recruitment of quality staff and retention. This will be achieved by being an employer of choice due to Salary, Well Being, Induction and Onboarding processes. It was noted that there are not many vacancies across SHARE MAT for September 2019. Some substantive roles have been filled by temporary staff. • AMBER – general condition of premises A new premises team is being established and a competent premises manager has been appointed. Interviews are planned for the remaining roles. <p>Q. How does the premises team work with PFI contracts? A. The premises team still have responsibility for compliance and overview. The premises team attend PFI meetings.</p> <p>Q. How many schools have PFI contracts? A. Three schools – Thornhill, Royds Hall and Heaton Avenue. <ul style="list-style-type: none"> • AMBER – Lack of written polices and procedures or failure to keep them up to date Update of all policies is in progress. All Compliance and Statutory policies are complete. <p>Q. Is the dress code for students? A. No this is for staff. The policy is being considered carefully and consultation will take place.</p> </p>	

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	<p>Q. Are there school specific policies? A. Yes.</p> <p>Q. Is the Behaviour policy school specific? A. In the case of Behaviour, Safeguarding and Health and Safety, there is a SHARE MAT framework and additional specific school related detail.</p> <p>Q. What are the Risk Register headings? A. Pre – Pre mitigation, Post – Post mitigation, L – Likelihood, I – Impact, Review Date – go to green date or next review date.</p> <p>Q. Will all risks with a Green RAG stay green. A. The RAG status may change on review.</p> <ul style="list-style-type: none"> • AMBER – Failure to ensure a robust fixed asset process is in place <p>Work is ongoing to complete the Fixed Asset Register. The RAG is expected to be green before the audit later in the year</p> <ul style="list-style-type: none"> • AMBER – Failure to put financial management systems in place that prevent fraud <p>There has been a change in the Lloyds Commercial Banking platform which is an increased risk during the transition period. The current decentralised structure is more of a risk than the centralised structure we are moving to.</p> <ul style="list-style-type: none"> • AMBER – Unsuitable people working with children <p>Q. It is a concern that unsuitable people working with children is a risk? A. The Amber RAG reflects the Likelihood and Impact as systems and processes are developed and put in place. Safer recruitment training will be done and reviews and audits of recruitment processes will take place</p> <p>The committee noted concern that this risk is amber but recognise that the ratings are cautious and consider the changes and development in processes as central services are put in place.</p>	

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	<p>It was noted that Impact scores for this risk will always be high.</p> <p>Q. Are pupil numbers a significant risk? A. Yes they are and this should be added to the risk register.</p> <p>ACTION: Mrs C Potterton to add the risk of pupil numbers to the risk register.</p>	<p>CP</p>
<p>221.</p>	<p>Review of A&RA Committee effectiveness</p> <p>Mrs C Potterton updated the meeting on the requirement for a formal process to review the effectiveness of the Audit and Risk Assurance Committee.</p> <p>ACTION: The following actions were agreed.</p> <ul style="list-style-type: none"> i) The 15 Questions governors should ask on Finance and Resilience from the Charity Governors report should be used as a basis for a questionnaire for Members and Directors. ii) A&RA Members and Directors to complete the Questionnaire within required timescales. iii) Consolidated feedback from the questionnaire to be presented to the Audit and Risk Assurance Committee in September 2019 for review and agreement. iv) Questionnaire feedback to be presented to the Board of Directors meeting in October 2019 and included in the Reports and Accounts. v) Review of Work Plan and Terms of Reference will be earlier in 2020. This will take place at the A&RA committee in June 2020 rather than September 2020. <p>Q. Will feedback from the questionnaire be used to inform the way forward for Audit and Risk Assurance? A. Yes. Feedback will be taken into account when developing the Work Programme and Updating the Terms of Reference.</p>	<p>CP / Chair</p> <p>Members /Directors</p> <p>Chair</p> <p>Chair / CP</p> <p>CP</p>

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222.	<p>Correspondence</p> <p>Mr J McNally updated that correspondence has been received from the ESFA relating to the fraud at Shelley College in 2013. The outstanding query relates to the financial impact of the fraud. Mrs C Potterton has contacted the ESFA to resolve the query.</p>	
223.	<p>Any Other Urgent Business</p> <p>(a) <u>Catering Contract</u></p> <p>Mrs D Howard updated the meeting on the Catering contract tender process.</p> <ul style="list-style-type: none"> • The Contract relates to catering for the whole of SHARE MAT. • The process has been managed by Mrs D Howard and Mrs C Potterton using the ESPO framework. • Of the 5 interested parties, 3 progressed to the panel stage. The presentations to the panel took place on 14 June 2019. • Scoring was an equal mix of price and non price (Quality and Service). • Based on the scoring, Mellors was selected as the preferred supplier. • Current staff will be offered contracts with Mellors via TUPE. • The contract with Mellors will be for 3 years and starts in September 2019 in all schools except Shelley College which would start in November 2019. • The key risk is transition to the new provider. Planning will take place to ensure a smooth transition. <p>Q. Are there notice periods in the current contracts? A. No.</p> <p>Q. Do we know why the costs of the preferred supplier are less. A. Yes, the management fees are significantly lower.</p> <p>Q. How long has the preferred supplier been trading? A. Since 1995 in the Education Sector.</p> <p>Q. Are they the supplier in other local schools? A. Yes and references have been confirmed. Company due diligence is via the ESPO framework.</p>	

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	<p>Q. What would happen if there were issues in delivery? A. The contract is detailed and there are options to exit in the case of non performance. Performance measures will be in place.</p> <p>Q. What is the concern about moving away from Kirklees? A. This relates to the extent of change which has already taken place at Royds Hall.</p> <p>Q. Are students surveyed about catering? A. Yes and feedback has been mixed over time.</p> <p>Q. How long has the existing contract at Shelley College been in place? A. 3 Years</p> <p>It was noted that the Audit and Risk Assurance Committee had reviewed the Catering Contract tender process and its recommendations.</p> <p>Directors approval for the contract is required due to the size of the contract.</p> <p>Mr M Dunkley and Mr J McNally confirmed agreement to the recommended preferred supplier as Directors of SHARE MAT.</p> <p>RESOLVED: That Mrs D Howard has approval to progress the Catering Contract with the preferred supplier.</p> <p>(b) <u>Vice Chair</u></p> <p>RESOLVED: That Mr A Ahamed be Vice Chair of the Audit and Risk Assurance Committee.</p>	
224.	<p>Dates of meetings for the 2018 – 2019 academic year</p> <p>The next meetings of the Audit and Risk Committee are scheduled for:</p> <ul style="list-style-type: none"> • Tuesday 17 September 2019 at 5.30pm • Tuesday 26 November 2019 at 5.30pm • Thursday 19 March 2020 at 5.30pm • Thursday 18 June 2020 at 5.30pm 	

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225.	<p>Agenda, minutes and related papers – school copy</p> <p>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.</p>	

The Chair closed the meeting at 6.25pm.

Chair

 Date 17/9/19