

The Swanage School

**MINUTES OF A MEETING OF THE AUDIT & RISK COMMITTEE**

Held on 23 March 2022, 5.30pm (rescheduled from 9 March 2022)

Present (Virtual): William Knight (chair), Peter Collins, Tim Marcus, Amanda Rowley, Jessica Starmer

In attendance (Virtual) Jenny Maraspin (Headteacher), Andrew Thomas (Business Manager), Alexia Tough (Interim Clerk)

Item		Action	Lead	By
	The meeting was held virtually due to an increase in local Covid cases.			
AUD 2.1	<b>Apologies for Absence</b> No apologies received.			
AUD 2.2	<b>Minutes of the Last Meeting</b> The minutes and confidential minutes of the meeting held on 24 <sup>th</sup> November 2021 were confirmed as an accurate record. The minutes will be signed at a later date.			
AUD 2.3	<b>Matters Arising and Action</b> An action list, with updates, had been circulated. The Committee discussed ongoing actions as follows: <u>External audit – payroll error</u> AT reported that the auditors are satisfied with response and actions. The School’s HR advisors have now confirmed in writing there is no level of concern as it is purely an operational matter and they have closed their involvement. Committee members are all in agreement that the matter has been dealt with effectively. Matter now closed. <u>Auditor appointments</u> AT clarified that separate tenders will be needed for internal and external auditors’ appointments. AT to share with the Committee a proposed template for retendering contracts and seek feedback. Currently there are 4 potential contenders for the roles.	Tender document	AT	Apr ‘22

	<p><i>Governors' question – Is there an option for the internal auditor to continue whilst bidding for both tenders?</i></p> <p>AT confirmed that the internal auditor could bid for both tenders, and if appointed as the external auditor would relinquish their role as internal auditor. He noted that both current organisations (Griffin: external; Goodman: internal) give a supportive service. Under the current contract Griffin will complete at the end of year. AT to check contract end for Goodman; the Spring internal audit took place in March (see item 2.6 below). Next internal audit scheduled for 2<sup>nd</sup> June 2022.</p> <p>AT noted that May 2022 will be a natural review date for reviewing the cost of the internal audit programme, alongside review of the school's budget.</p> <p><u>DBS checks:</u> AT confirmed that the Office Manager &amp; HR Assistant is leading on the process of implementing a rolling programme of rechecking staff every 5 years. It was confirmed governors will be rechecked if re-appointed (every 4 years).</p>	Confirm Goodman contract	AT	Apr '22
AUD 2.4	<p><b>School Resource Management Self-Assessment Tool</b></p> <p>All committee members agreed and APPROVED the Chair's action to agree the School Resource Management Self-Assessment Tool for submission to the Education &amp; Skills Funding Agency. The document and planned responses had been circulated beforehand.</p>			
AUD 2.5	<p><b>Risk Register</b></p> <p>WK reported that the challenge on the current risk management process and register is achieving consistency, e.g. in how risks are perceived and rated. He reported he has reviewed all mitigated and non-mitigated risks, looking thoroughly at likelihood and impact. Changes had been proposed to the Committee by advance circulation and all AGREED to adopt the changes put forward.</p> <p>Currently the Risk Register is divided into 'main risks' and 'other risks' with 17 individual risks on the main register. This was deemed too many to review with accuracy and thoroughness. It was agreed that any risks rated as minor after mitigation be formally downgraded and allocated to "other". This removed 8 from the main register, leaving 9 significant risks for the Audit &amp; Risk Committee to concentrate on.</p> <p><i>Governors' question: How often do we review minor risks?</i></p>			



	<p>Recommendation from the Staffing, Finance &amp; Premises Committee that Published Admission Number (PAN) and infectious disease be operational rather than strategic risks. Infectious disease approved. JM to bring back to the next committee an update on PAN modelling before a decision can be made.</p>	Update Register	WK	Apr '22
AUD 2.6	<p><b>Internal Audit</b></p> <p>AT reported that the internal audit conducted 15<sup>th</sup> March 2022 had gone ahead despite the difficulties of the recent local Covid levels. The audit focused on the internal control framework and budget monitoring. Auditors gave excellent feedback overall, including that management of lease contracts, payment of receipts and photocopying were good and value for money.</p> <p>Auditor included feedback on minor issues and best practice:</p> <ul style="list-style-type: none"> <li>- Advised that where purchase items are bespoke or where is not possible to have a competitive bid process or obtain a range of quotes, that the rationale and reasons be recorded. Examples from the previous year included, e.g. the Iceland trip, the Arbor license, and some urgent building remedial work. JM confirmed that on the Iceland trip and Arbor license, an informed decision had been made that they were unique and critical to what was needed.</li> <li>- Some variations found between the balance sheets presented in reports and the final account; noted that the balance sheet reporting is an extract in time from SAGE entries and becomes more accurate later in the month due to late transactions.</li> <li>- Consider an estimate of VAT refund to assist mitigation of risk. (In discussion, the Committee agreed this would not be necessary.)</li> <li>- Applying benchmarking data to internal spending would be good practice. Use of I-SOT software (School Optimisation Tool) might prove useful. AT to research, noting that there needs to be consideration of what is practical and achievable.</li> <li>- Uniform review: currently looking at tenders.</li> </ul> <p>The Committee accepted the verbal report and thanked AT for his hard work and commitment. Internal Auditor's written report to be circulated to committee members as soon as it is received. Next internal audit would focus on funding claims and risk, due in June.</p>	Research software options	AT	Jun '22

AUD 2.7	<b>Any Other Business</b> [Confidential minutes]			
AUD 2.8	<b>Confidentiality</b> The committee agreed that there was a need for confidential minutes on one matter raised under Any Other Business.			
	<b>Next meeting</b> To be held on 15 June 2022  <ul style="list-style-type: none"> <li>- Risk register review</li> <li>- Review financial controls (Finance procedures)</li> <li>- Consider internal audit report/s</li> <li>- Recommend re-appointment of internal auditor, confirm scope of programme for 2022-23</li> <li>- Consider annual report to full governing body</li> <li>- Review changes to Academy Trust Handbook (if published)</li> </ul>			