

THE MAST MULTI ACADEMY TRUST

Company No: 10357136

AUDIT COMMITTEE

Minutes of the meeting of the Audit Committee of The MAST Multi Academy Trust (the **Academy Trust**) held at Shelley First School on Thursday, 30 March 2017 at 6.30pm (the **Meeting**).

PRESENT

Mr G Wilson (Chair), Mrs H Carr, Mrs D Knowles, Miss R Roughton

In Attendance

Mr J Field (Financial Director)

Mr G Dawkins (Minute Clerk)

Item	Minute	Action
1. <u>ELECTION OF COMMITTEE CHAIR</u>	<p>Nominations for Committee Chair were taken from the meeting.</p> <p>Mrs Carr nominated Mr Wilson and this was seconded by Miss Roughton. Mr Wilson agreed to stand as Audit Committee Chair and Mr Wilson was elected unanimously.</p> <p>RESOLVED: That Mr G Wilson be elected as Audit Committee Chair.</p>	
2. <u>APOLOGIES FOR ABSENCE, CONSENT AND DECLARATIONS OF INTEREST</u>	There were no apologies for absence or declarations of interest.	
3. <u>RECEIVE / REVIEW TERMS OF REFERENCE</u>	Mr Field introduced the Audit Committee Terms of Reference – 2017/18 and highlighted the key changes:	

Item	Minute	Action
	<ul style="list-style-type: none"> • Mission – It shall review, and challenge where necessary, the actions and judgement of management in relation to the Trust’s control programmes and shall ensure compliance with charity and company law and other legal requirements as necessary. • Scope of Responsibilities: <ul style="list-style-type: none"> – Pt 7 – Keep under review the Trust’s annual internal audit plan and discuss with auditors any significant findings of internal audit investigations and management responses. <p>The internal audit plan is set by the Audit Committee. Mr Field will talk to the auditors and will supply questions to be asked. Mr Field will put together the audit plan with the internal auditors and circulate for approval by the Audit Committee.</p> <p>Q.- Will the internal audit plan be cross-referenced against the Financial Handbook?</p> <p>A.- Yes. The internal audit is undertaken by an external organisation which should check the right policies are in place and are being actioned properly.</p> <ul style="list-style-type: none"> – Pt 15 – Hold one meeting a year with no management present. – Pt 16 – Agenda specific items: <ul style="list-style-type: none"> • Regularity Review • Business Continuity Plan • Risk Register • EFA audit requirements (eg FMGS) • Programme of internal controls • Programme of external audit <p>- Pt 17 – The Audit Committee will delegate certain agenda items and powers to the Finance Link Trustees of the Trust.</p> 	

Item	Minute	Action
	<p>- Pt 19 – Agenda items specific to the Finance Link Trustees will include:</p> <ul style="list-style-type: none"> • Annual budget scrutiny • 3 year financial plan • Capital expenditure • Termly Forecast / cashflow review and monitoring • Reserves monitoring • Review of financial policies periodically • Investment strategy • VFM / procurement review. <p>Q.- Will these items be discussed with the Finance Link Trustees at Audit Committee meetings?</p> <p>A.- No, these items will be discussed with Finance Link Trustees at separately arranged meetings as the Audit Committee is independent looking at risks in terms of control mechanisms, checks and balances. The external audit picks up any control weaknesses and identifies actions. The Finance Committee looks at “are we doing the right things” and the Audit Committee looks at “are we doing things right”.</p> <p>RESOLVED: That the Audit Committee Terms of Reference – 2017/18 be recommended for approval by the Board of Trustees.</p>	<p>Board of Trustees</p>
<p><u>4. REVIEW AND SIGN OFF FINANCIAL MANAGEMENT AND GOVERNANCE SELF-ASSESSMENT RETURN</u></p>	<p>Mr Field presented the Financial Management and Governance Self-Assessment (FMGS) to Trustees and noted that if approved it is due to be submitted to the DfE on 31/03/2017.</p> <p>A copy of the progress against the FMGS return was attached for scrutiny by the Trustees of the Audit Committee.</p> <p>All actions have been completed in line with the timescales outlined in the return.</p> <p>Two items were questioned:</p>	

Item	Minute	Action
	<p>i) Item 15 – Has a contingency and business continuity plan been prepared?</p> <p>It was noted that the LA template is being used for the Emergency Plan and it is the intention to bring all four sites to a similar level but each is site specific.</p> <p>ii) Item 22 – Has the MAT published, on its website, its governing structure and the relevant business and pecuniary interests of the accounting officer, members, trustees, including local governors where the Trust is a MAT?</p> <p>This needs to be amended to a “No” at this stage as the website is demonstrably not there and requires such things as Trustee Profiles.</p> <p>Resolved: That the Financial Management and Governance Self-Assessment return be approved and be submitted to the DfE ON 31/03/2017.</p>	<p>Mr Field</p>
<p><u>5. CONFIRM PROGRAMME OF INTERNAL CONTROLS</u></p>	<p>This item looked at the programme of internal controls for:</p> <ul style="list-style-type: none"> • Education (Data / Safeguarding) • H&S (Policy / Management / Reporting / Data) • HR (SCR / Employee welfare) • Financial controls <p>Mr Field noted that the focus is on Handbook controls which are more financially orientated.</p> <p>For HR the controls are about those employed, Register of Interest and the SCR (Single Central Record).</p>	
<p><u>6. SCRUTINISE AND APPROVE RISK REGISTER</u></p>	<p>Mr Field presented the Trust Risk Register which is a cross organisational document built up from conversations with each member of the ELT considering their risks for their area of responsibility.</p>	

Item	Minute	Action
	<p>The Risk Register considers the Risk department, i.e Standards, H&S, Finance etc, the unmitigated risk, the risk level with no controls, current controls, Risk level with current controls, Action required and timescale.</p> <p>Q.- Do we need to apply a “hierarchy of needs” to identify priorities? A.- Yes, initially Finance but the budget is in place with an audit in May 2017 so there are other priorities such as H&S, Safeguarding, Quality / Standards, Reputation and Outcomes.</p> <p>In the short term there has been a need to get “The Show on the Road” but this has to be considered against the long term need of sustainability. Things have to be set up correctly in the first place to learn the right to grow in the future.</p> <p>Safeguarding is considered to be “High” risk but with current controls it can be managed. Coasting schools is a high priority and if a 1 rating is achieved it means that all actions that are being taken are acceptable.</p> <p>It was noted that under Timescales where seasons have been used specific dates would be more useful.</p> <p>Q.- How is the Risk Register used? A.- It informs the Action Plans which in turn define the direction of travel.</p> <p>Q.- What is Trustee’s role in this? A.- Could be debriefing or a RAG assessment</p> <p>Q.- What is required from the Audit Committee? A.- If no progress has been made with the Risks currently recorded by the next meeting in June 2017 the school needs to be held to account. Transition to the Trust has meant a lot of systems have had to be rebuilt to get things going so with time need to monitor the emerging issues.</p> <p>Q.- Is this format to be used?</p>	

Item	Minute	Action
	<p>A. - Yes, for the moment but can be amended to take onboard the suggestions made. H&S is now the current priority. When risks become low, they will be recommended for archiving. Currently all the risks identified are new and will be reviewed next time.</p> <p>There was some discussion around the management structure as it is not a top down model.</p> <p>Q.- Is the Scheme of Delegation operationally viable?</p> <p>A.- It is an emergent strategy which was necessary to get the MAT set up. The Scheme of Delegation is a living and breathing document which will be reviewed regularly and should be on the Risk Register.</p> <p>Overall the Trustees are comfortable with the Risk Register format and what it says.</p> <p>RESOLVED: That “Review of the Risk Register” be a Standing Agenda item for the Audit Committee.</p>	<p>Clerk</p>
<p><u>7. UPDATE ON BUSINESS CONTINUITY PLANS / EMERGENCY PLANS</u></p>	<p>Mr Field reported that the template for the Business Continuity Plan is in place. This is slightly different to the Emergency Plan but is included in the Emergency Plan.</p> <p>It is considered satisfactory for the moment but will be reviewed in the future.</p> <p>Q.- Is there anything in the plan that we can't do having left the LA?</p> <p>A.- Currently the LA have an involvement with Safeguarding, SEND and admissions administration. The LA have a duty to educate if say the buildings are not safe.</p>	
<p><u>8. APPROVE AUDIT OF FINANCIAL CONTROLS PROGRAMME</u></p>	<p>Mr Field will circulate financial control questions for the internal audit in due course for comments from the Audit Committee. This will be an initial check.</p> <p>RESOLVED: That approval of the Financial Controls Programme be carried forward to the next Audit Committee meeting.</p>	<p>Mr Field / Audit Committee</p> <p>Clerk</p>

Item	Minute	Action
<p><u>9. ANY OTHER BUSINESS</u></p>	<p>i) <u>Note of Insurance Policies in Place</u></p> <p>Mr Field reported that the MAT has bought into the following insurance policies:</p> <ul style="list-style-type: none"> • Risk Protection Agreement which covers insurance related areas. • Chancel Repair insurance • Engineering Inspection insurance • Occasional Business Car Use insurance • Foreign Trips insurance until September 2017 through the LA – new cover will be needed thereafter. <p>ii) <u>Note of Registers of Interest in Place</u></p> <p>Mr Field reported that all Trustees apart from Helen Jones and Angela Grimshaw have completed the Register of Interest forms.</p> <p>RESOLVED: That Register of Interest forms be resent to Helen Jones and Angela Grimshaw.</p> <p>It was noted that the Register of Interests for Local Governing Bodies will be refreshed termly for any new appointees.</p> <p>iii) <u>Website Compliance</u></p> <p>It is hoped that the MAT website will be compliant by w/c 7 April 2017 and it was noted that the four schools in the MAT are working on website compliance.</p> <p>RESOLVED: That the Website be reviewed at the next Audit Committee meeting.</p>	<p>Mr Field</p> <p>MAT</p> <p>Audit Committee</p>
<p><u>10. DATES OF FUTURE MEETINGS AND</u></p>	<p>RESOLVED: That the next meeting of the Audit Committee is to be held at 6.00pm on:</p> <p>Monday, 26 June 2017 venue to be agreed with the following agenda items:</p> <p>i) Website Review</p>	

Item	Minute	Action
<u>POSSIBLE AGENDA ITEMS.</u>	ii) Risk Register (Standing Agenda Item) iii) Audit Plan	
<u>11. AGENDA, MINUTES AND RELATED PAPERS – SCHOOL COPY</u>	RESOLVED: That no part of the minutes be excluded from the copy to be made available at the School.	