Audit and Risk Committee
Wednesday, 19th November 2025, 5pm, Teams

Present	Lorrayne Hughes, Chief Executive (LH)
	Jeff O'Neill, Co-opted Trustee, Chair (JON)
	George Beveridge, Chair of Trust Board (GB)
	Margaret Payne, Trustee (MP)
	Richard Berry, Trustee (RB)
Together with	Gill Martin, Director of Finance (GM)
	Tom Martell, Director of Strategy & Operations (TM)
	Sally McAllister, Head of Operations (SMcA)
	Anne Hallowell, UNW (AW)
	Charlotte Kirton, UNW (CK)
	Jackie Kirksopp, Dodd & Co (JK)
Apologies	Matt Hood, Trustee (MH)
Minutes taken by	Lucy Hewson, Clerk to Trust Board (LMH)
Quorum required	3
Members present	**5**

Member support, questions and challenge in red
Responses in green
Actions in bold

1	**Welcome and Apologies** Apologies received from MH.
2	a) **Declaration of Interest** - None b) **Notice of Any Other Business** - None c) **Review of Terms of Reference** ***(updates in red)*** – **Updated Terms of reference approved.**
3	**Approve minutes dated 23rd June 2025 + Matters Arising** ***(updated on page 3 of minutes)*** All matters arising were actioned. The minutes were taken as a true and accurate record of the meeting.
4	**Presentation of statutory accounts by External auditor and approval** **External Audit Board Report** AH reported this was a clean audit. All adjustments are in the report. Income has risen (up from £27m to £45m) due to the new schools joined CET in 2025. Expenditure has risen due to new schools. Depreciation has risen because of the new schools. Fixed assets, debtors and current assets have also risen for the same reason. CK reported that there are new roofs at WHS and Newtown PS, replaced to extend life of building and right to be capitalised. There are no previous roofs to dispose of, so no adjustment is proposed. The Family Connector grant is netted off against payroll costs, recognising income separately. There is a difference of £56k between trial balance and bank statement because of late postings in one of the new schools – this is a balance sheet reclass. Audit Focus areas are on pages 8-9. Control observations are noted on page 13.

	Chair asked about the next valuation for the Defined benefit pension scheme. GM said that this has just taken place and employer contributions are reducing by 2.5% as a result. There is a recommendation to review the fixed asset register and ensure everything is in the correct description of category. There are small areas to complete regarding the audit work, account disclosures and the finalisation of Trustee's report. Chair asked about capital grants and whether there was any clawback. It was reported that capital programme funding comes in on 1st April and the reporting period for the annual report is 1st September to 31st August. There have been a lot of activity on capital works over the Summer and half terms. There is less unspent capital than last year. Trustee said it was great to see a fairly straightforward set of accounts with no major issues. He knows how much work this is – a very positive outcome. Trustee asked about parental debtors on school trips. GM said that debtors are chased and the issue from a few years ago at WHS with debtors has now been resolved with much more robust systems in place. Management accounts are reviewed each month and the Finance team give the schools support on debtors. Trustee thanked GM. Trustee asked about VAT partially exempt – auditors review calculations? AH said these are not tended to review as part of the exemption calculation. GM said that checked calculations will suggest this area for review next year and it would be good to have more expert VAT advice. LH gave a huge thank you to auditors. CET have worked well with AH and UNW over the last 10 years and a big thank you to her. Congratulations to GM and the Finance team as well. Chair thanked AH, CK and asked them to thank the UNW team for their hard work on the audit. There are no questions on Audited Financial Statements 2024-25 and Trustees Report 2024-25. The Audit & Risk Committee will recommend, subject to the final amendments, the Trust Board approval of the Annual Report. GM will circulate an updated version of the Report to the A & R Committee prior to the Trust Board meeting in December. GM thanked UNW for their work.
5	**Presentation by Internal Auditors of Internal Audit (IA) audits 2024/25 (internal scrutiny)** JK presented the 2025 Annual Scrutiny IA Report. Internal Audits were carried out on the following: a. Fees & Charges IA Report b. Catering Contract Monitoring IA Report c. Credit Card IA Report d. Recruitment & Selection IA Report e. iTrent Implementation IA Report f. Follow Up of Prior Year Recommendations IA Report

	The narrative reports will hopefully be useful for those in charge of governance. A green flag system has been introduced. Detailed reports have been produced for Finance and HR teams. The Annual report will be submitted along with the accounts. There are nine overall recommendations, though none are a high or medium priority. For example, Recruitment and Selection have three recommendations including potential amendments on advertising criteria. It has been a productive process across the year with a positive, open attitude from all. Systems are good. Trustee asked what reports go forward to DfE. The Summary report goes to DfE. Chair thanked JK and the team. These reports are very valuable. **AH, CK and JK left the meeting at 17:36.**
6	**External and Internal Audit Service Provision 25-26 onwards** CET have worked with UNW for the last 10 years. DfE recommend Trusts to change their external auditor every 5 years. UNW have been excellent to work with. GM has sent a tender out to 3 national firms and 3 local firms with an 18th December deadline. There was a discussion about cost as a switch to different auditors may result in increased fees. We will also go out for an alternative internal audit provider. Trust Board will recommend the change of auditors to Members. Members will agree appointments at their AGM in January. Chair advised going through the above process and seeing what quotes CET receive.
7	**Risk Update: Chairs of Committees report their Committee's risks** **OD Committee** Chair of OD Committee, MP reported on the 13th October OD Committee. There was an in-depth presentation from the Estates Manager who presented the four big risks areas. The Committee were reassured by what they heard. All Risk Registers are in place. There is a plan of work prioritised within budget. The Committee also heard from Head at CLPS who is leading on Staff Wellbeing project (Project no 11 of the Trust Improvement Plan). This is an important project as staff wellbeing impacts on recruitment and retention. There is also much greater emphasis on staff wellbeing in the new Ofsted Inspection framework. The Committee were assured on the progress of project and it is good to see staff and wellbeing as a regular item on LAB meetings. Within Trust Services there is now a Workforce panel in operation with several aims, one of which is to try and avoid employment change processes where possible. Head of HR gave a presentation on the new appraisal system. The Committee heard from GM on a Finance update and recognised the tremendous success of balancing last year's budget (especially the savings coming from the Secondary schools and Trust Services). The Committee recognise Trust Services have been working undermanned in some areas and recognise the huge amount of work the team has put in with four new schools joining CET last year. Trustee said it was a real strength that the other two Committees are feeding into the Audit & Risk Committee on risks in their respective areas. It is strengthening the risk process. Chair agreed. **SI Committee**

	TM updated from the School Improvement Committee who met on 24th September. The key discussion was on Ofsted and the changing profile of risk. CET had a number of Ofsted inspections last year. The new inspection framework and uncertainties around it were discussed. There has been extensive preparation on this from CET. Schools are being monitored and they are being well prepared for the new framework. The wider policy landscape was discussed with a number of White Papers to respond to. Chair thanked MP and TM.
8	**Strategic Risk Report, including register** SMcA presented two papers. Financial planning remains the highest risk because of budget pressures (see page 4). Ofsted changes to framework has been added as a risk onto the time limited section. OD new risks are Due Diligence for onboarding new schools, IT Services and availability of up-to-date structural information from schools to determine staffing restructure requirements. SMcA presented the time limited risks – page 7 of the report. Chair thanked SMcA. There was a discussion about the re-evaluation of the pension scheme contribution from CET reducing (by around £480k).
9	**Health & Safety Audit update** SMcA presented the report. There are some positive scores from schools' Health and Safety audits. Some inconsistencies have been identified which are being actioned swiftly. The new Estates team have made a big impact but there are still areas to improve. However, the schools are very engaged with the Health and Safety Audit process and a bigger focus has been given to Health and Safety. Chair asked if the schools who joined the Trust this year are broadly in line with CET standards? SMcA said that with some of the new schools, their last audits are 2-3 years old. All new schools are now embedded into the calendar of audits. Chair thanked SMcA.
10	**Waiver Register update** One item has been added – Wi-Fi for Newtown PS with 2 quotes received. DfE are happy with the quote. Chair thanked GM.
11	**Approval and ratification of the following policy:** • Anti-Fraud and Corruption Policy *(Policy reviewed, no changes)* **Decision: Approved.**
12	**AOB** None.

The meeting closed at 6pm.

Signed by: ……………………………………………………… Date:………………………………2.3.26…………………………………..

Jeff O'Neill, Chair of Audit & Risk Committee

<u>Date of next meeting: Wednesday, 11th March 2025, 5pm, Yewdale Primary School Conference Room</u>