FOUR HILLS EDUCATION TRUST

AUDIT & RISK COMMITTEE MEETING MINUTES

THURSDAY 20 NOVEMBER 2025 AT 5.15PM

TYPE OF MEETING	Audit & Risk Committee	Microsoft Teams
PRESENT	Kirsty Osman , Jeremy Withers, Ann Lombardi, Yvonne Dhillon,	
CLERK	Tricia Gurney	
IN ATTENDANCE	Jeremy Withers, Ann Lombardi, Yvonne Dhillon, Kirsty Osman	
QUORUM	Number: 2	QUORATE: Yes

1.	**WELCOME AND INTRODUCTIONS** Welcomes and an overview of the committee structure. KO shared documents vis governor hub.
2.	**APOLOGIES** Received from Reason Consent Yes / No Katy Khandeparker Work commitments Yes
3.	**DECLARATION OF INTERESTS** Reminded all present to declare any conflicts of interest for agenda items. No declaration of interests declared
4.	**COMMITTEE MEMBERSHIP (CONFIRMATION OF CLERK TO THE BOARD)** Katy Kandeparker – Chair Jeremey Withers Andy Baker Ann Lombardi Yvonne Crilly
5.	**ELECTION OF CHAIR & VICE CHAIR** Katy Khandeparker was elected as Chair – unanimous vote
6.	**TERMS OF REFERENCE**

	The Terms of Reference, which had been issued prior to the meeting was discussed and the provisions recognised for its full alignment with the Board of Trustees' overarching Scheme of Delegation. A check was made to ensure all Committee members were fully aware of their specific roles and responsibilities as outlined in the document, which was affirmed unanimously. The Committee was satisfied that it is operating in a compliant manner with respect to the ToR and governance framework. It was agreed that the latest version of the ToR should be circulated or displayed for continued reference. The Committee agreed that the Chair will determine if a formal review or re-approval by the full Board is required within the current term.
7.	**MINUTES OF PREVIOUS MEETING & MATTERS ARISING** Due to this being the first committee meeting, no previous minutes were circulated.
8.	**INTERNAL SCRUTINY** 8.1 Approve internal scrutiny plan/programme of work The Committee is asked to approve the internal scrutiny plan/programme of work as presented. The initial areas of focus for the current year (Year 1) have been prioritised based on risk assessment and compliance requirements. These key areas are: • Procurement and Value for Money (VfM) • Finance and Regularity In addition to the formal scrutiny plan, we have built in an element of budget monitoring support for Head Teachers (HTs) and Business Managers (BMs) at each school, scheduled to take place each term. We have also allocated an additional half-day of Trust support for this purpose. 8.2 Confirm appointment of internal auditor We recommend and seek the Committee's formal confirmation for the appointment of Lisa Howfield from The Link Education Trust as our Internal Auditor. Ms. Howfield is highly experienced, currently serving as a CFO, and has a proven track record, including specific expertise in DFE requirements, particularly Value for Money. She is already engaged and recommended by several other Trusts. The Committee has discussed and formally agreed to this appointment. The engagement agreement is annual and is structured such that we will be invoiced based only on the actual hours of work undertaken, ensuring cost-effectiveness. 8.3 Review any internal scrutiny findings (if available) There are no formal internal scrutiny findings available yet. The internal auditor is currently finalising the initial work on financial monitoring and analysis.

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	The first formal scrutiny focus, which will be on Value for Money, is scheduled to take place and be reported on in December.
9.	**9. Risk Management** The Committee reviewed the Trust's risk management framework, focusing on the Risk Register, emerging risks, and continuity planning. **9.1 Review and Update of Trust Risk Register** The **updated Trust Risk Register** was formally shared and reviewed by the Committee. The discussion focused primarily on the **changes and revisions** since the previous meeting. The Committee noted the inclusion of heightened risks related to the integration of new sites and compliance obligations. **9.2 Discussion of Risk Management Arrangements and Emerging Risks** A comprehensive discussion on **risk management arrangements and new/emerging risks** identified the following key areas for ongoing mitigation:

Risk Category	Key Emerging Risks & Discussion Points	Mitigation/Action Noted
Financial & Growth	* **Woodlands Shared Site:** Financial risk associated with the shared site management, specifically the potential non-receipt of funding. This matter is scheduled for discussion at the DfE meeting next week.	**ACTION:** Executive Team to follow up at DfE meeting.
	* **Growth Risk:** The Trust risks missing eligibility for SCA funding if it does not grow by a minimum of two additional schools. This is a critical strategic risk.	**Timescale:** Target **of two additional schools within five years.**
Funding/Income	* **CIF Funding:** Noted the current low success rate for CIF applications and the anticipated cessation of CIF, to be replaced by a new funding stream.	**ACTION:** Actively seeking other grant funding and networking with businesses (K.O.) for potential donations. Confirmed emergency funding remains available.
Compliance/Policy	* **HR:** Compliance with Trust HR policies.	**ACTION:** Ongoing review and dissemination of policies.
	* **Policies/Legislation:** General compliancy with new and existing legislation.	**ACTION:** Ongoing monitoring and update of all Trust policies.

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	Safeguarding	* **Safeguarding Audit:** The Trust will purchase T&W safeguarding services. STW will undertake a Trust-level and school-level audit.	**ACTION:** Ensure audit is scheduled and findings are reported back.
	Technology/Cyber	* **ICT/Fraud/Cyber:** New risks associated with technology and fraud.	**ACTION:** A dedicated Fraud and Cyber Risks Policy is to be shared with the Committee.
	Facilities/Estates	* **Facilities Management/Estates:** Noted the lack of a management plan for Woodlands; this risk will be lowered once the school officially joins the Trust (currently working in partnership).	**ACTION:** Develop a robust Facilities Management plan.
	People/Capacity	* **Central Team:** Essential recruitment needed for key roles: a Director of Education (within 12 months) and an Administrator/Finance Administrator. The latter is critical for segregation of duties, transparency, and risk management.	ACTION: Prioritise recruitment plan for these roles.

Discussion on Growth:

- J.W. asked about interest from other schools.
- K.O. confirmed the Trust is in talks with two schools, with others showing interest.
- Y.D. expressed confidence in achieving the growth target but enquired about the timescale.
- K.O. confirmed the target is two additional schools within five years.

9.3 Review of Business Continuity and Contingency Planning

The Business Continuity Plan was formally shared, alongside an Audit & Risk Committee Briefing Pack.

- The Trustees discussed the practical matters of how and where key documents will be stored.
- The Trustees recognised and commended the level of detail within the plan and noted the ease of its use.
- It was confirmed that there have been no recent incidents or lessons learned that necessitate immediate amendments to the plan.

10. EXTERNAL AUDIT ARRANGEMENTS

10.1 Appointment of External Auditor and Engagement

The Committee formally confirmed the appointment of the external audit firm. A tender process was successfully carried out, and the outcome was shared with all Trustees for review. Following discussion, it was agreed and resolved that Mitchell Charlesworth would be appointed as the Trust's External Auditor.

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The External Audit Engagement Letter was formally shared with all Trustees. The document was reviewed and noted to clearly outline the roles, responsibilities, commitments, and scope of work.

10.2 Review of External Audit Timetable

The Trustees reviewed the timetable of activities proposed for the external audit. This review confirmed that the schedule supports the requirements of the Academies Financial Handbook for the annual submission of accounts and the Budgeting and Financial Strategy deadlines.

11. POLICIES FOR REVIEW/APPROVAL (AS DELEGATED BY THE BOARD)

11.1 Whistleblowing policy
11.2 Fraud and cyber policy
11.3 Risk management policy

The Committee reviewed three key policies delegated by the Board for approval, ensuring alignment with statutory requirements, best practice, and the Trust's risk framework.

Agenda Item	Policy Name	Discussion Summary & Compliance Confirmation	Decision/Action
11.1	**Whistleblowing Policy**	Policy aligns with Keeping Children Safe in Education (KCSiE) and the Trust's Complaints Policy.	**APPROVED**
11.2	**Fraud and Cyber Policy**	Confirmed compliance with RPA insurance requirements (staff training, annual refreshers, induction inclusion). Noted the non-payment of ransomware demands clause.	**APPROVED**
	Training & Future Planning	Trustee training is scheduled for the Spring Term. Further details on cyber/fraud response simulation training to follow.	**ACTION:** K.O. to schedule Trustee training (Spring Term) and provide details on simulation training.
11.3	**Risk Management Policy**	K.O. presented the policy and Risk Matrix; Trustees discussed and noted its clarity and robustness.	**APPROVED**
	Overall Compliance	All policies were confirmed to be robust, clear, audit ready, and fully compliant with the Academy Trust Handbook 2025 and DfE/ESFA requirements.	**NOTED**
Policy Dissemination	The newly approved policies must be formally communicated and made accessible across the Trust.	**ACTION:** Executive Officer / K.O. to ensure all three approved policies (Whistleblowing, Fraud and Cyber, and Risk Management) are immediately disseminated to all staff and Board members, and uploaded to the appropriate	

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			repository (e.g., website/GovernorHub).	

12. COMPLIANCE & REGULATORY UPDATES

The Committee reviewed the Trust's adherence to mandatory requirements and noted recent regulatory changes from the Department for Education (DfE).

12.1 Review Compliance with Academy Trust Handbook ("Musts")

A checklist or summary of the Trust's compliance status with the mandatory "musts" of the Academy Trust Handbook (ATH) was presented and reviewed.

- **Current Status:** The Committee was satisfied that appropriate systems, controls, and oversight are in place to ensure ongoing compliance with all mandatory requirements of the ATH.
- **Areas of Concern:** No immediate or critical areas of non-compliance were identified. Any minor areas requiring reinforcement or documentation updates have been identified and are being addressed as a priority.

12.2 Note any DfE Updates Relevant to Audit and Risk

Recent DfE bulletins, circulars, and the **Academy Trust Handbook 2025 (effective 1 September 2025)** were reviewed, highlighting the following key updates relevant to the Committee's function:

Cyber Security and Fraud (High Priority)

- **Ransomware Prohibition:** The new ATH explicitly states that Trusts **must not pay any cyber ransomware demands** under any circumstances. This reinforces the need for robust preventative and recovery plans.
- **Digital Standards:** The Trust must continue working towards meeting the **six core DfE Digital and Technology Standards by 2030** (e.g., Cyber Security, Filtering, Digital Leadership) to strengthen resilience.
- **Fund Recovery:** The DfE has clarified that it may recover funds where there is evidence of fraud or irregularity, underscoring the importance of strong internal controls. (This aligns with the recent approval of the Trust's Fraud and Cyber Policy in Item 11.2).

Governance, Scrutiny, and Finance

- **ESFA Transfer:** Noted the transfer of regulatory and financial oversight functions from the ESFA (which will close by **31 March 2025**) to the **DfE's Regions Group**, aiming for a single, joined-up regulatory environment.
- **Internal Scrutiny Threshold:** The threshold for requiring a separate Audit and Risk Committee and more stringent internal scrutiny (£50 million income) is now formally based on the last audited accounts (not projected income).
- **Estate Management:** New guidance links to the **School Estate Management Standards**, and failure to manage the estate safely and strategically may now be grounds for the DfE issuing a **Notice to Improve (NtI)**.

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	Intervention Focus • Educational performance has been removed as a specific trigger for an NtI under the Handbook, with the DfE focusing NtIs primarily on governance, financial management, and safeguarding compliance. **Assurance Statement** The Audit & Risk Committee reviewed the Trust's compliance with all mandatory requirements ("musts") set out in the Academy Trust Handbook, as well as recent updates from the Department for Education relevant to governance, audit, and risk management. The Committee confirms that appropriate systems, controls, and oversight are in place to ensure ongoing compliance. Any areas requiring further action have been identified and are being addressed as a priority. The Trust remains committed to maintaining the highest standards of governance, transparency, and risk management in line with statutory and regulatory expectations.
13.	**ANY OTHER BUSINESS** Nothing
14.	**DATES AND TIMES OF NEXT MEETING** TBC – Spring Term
15.	**CLOSE**
Signed by Chair (electronically via Governor hub)	
Meeting Ended: 18:35pm	

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