

AUDIT AND RISK COMMITTEE - MINUTES

Minutes of the Audit and Risk Committee held virtually on Wednesday 20th May 2026 at 4pm.

Trustees: Mr D Austin (Chair), Mr J Dunn, Ms A-M Sim, Mr C Waldie, The Reverend Canon P Gay.

Also Present: Dr Blunden (Chief Executive), Mr S Davis (Chief Financial Officer), and Mrs B Couch (Head of Corporate Governance).
Mr J Carne (Cornwall Council – for item 4).

Apologies: Mr A Milliner

Item	Decision	Action
1.	Welcome, Introductions and Apologies The Chair welcomed all attendees to the meeting. Apologies were RECEIVED and ACCEPTED from Mr A Milliner.	
2.	Minutes of 2nd December 2025 The minutes of the meeting held on 2 nd December 2025 were AGREED as a true and accurate record of proceedings.	
3.	Matter Arising None.	
4.	Internal Audit 2025/26 Progress Update The Chair welcomed Mr Carne from Cornwall Council Internal Audit to the meeting. Trustees received reports relating to the Failure to Prevent Fraud review and the Health and Safety review. Trustees were INFORMED that the Failure to Prevent Fraud review had been undertaken following new legislation introduced in September 2025 and that the Trust falls within the scope of the legislation as a large organisation. The review concluded that the Trust had proportionate and reasonable measures in place to prevent fraud and a Reasonable Assurance opinion had been awarded with only low-risk recommendations identified. <i>See confidential minutes</i> The Committee then considered the Health and Safety review covering COSHH, Legionella and asbestos compliance across sampled schools. Trustees were INFORMED that the review had also received a Reasonable Assurance opinion with five medium-priority recommendations identified.	

	Trustees QUESTIONED the lengthy implementation timescales attached to certain management actions. Members were advised that a Trust-wide procurement exercise was underway to replace several health and safety compliance platforms and that implementation, staff training and system migration would take place over the summer term, leading to completion dates in the autumn. Trustees were ASSURED that arrangements for managing key health and safety risks were generally robust and that identified actions would strengthen consistency across schools. Trustees APPROVED the internal audit reports and RECOMMENDED them to the Board for information.	
5.	Financial Control Monitoring Report Trustees received the Financial Control Monitoring Report and reviewed breaches of procurement controls identified during the reporting period. Trustees were INFORMED that the majority of lower-level control breaches continue to be addressed through routine engagement and training with school-based staff. Two material breaches were reported, both involving services being commissioned before purchase orders had been appropriately approved. Trustees QUESTIONED whether the breaches reflected deliberate attempts to circumvent controls or procedural errors. Trustees were ASSURED that investigations had not identified any malicious intent and that both incidents appeared to result from failures to follow process rather than fraud. Trustees QUESTIONED how such breaches are detected and whether schools self-report them. Trustees were advised that the finance system identifies exceptions when invoices are submitted without the required approved purchase orders, triggering investigation and retrospective validation. Trustees further QUESTIONED when repeated breaches would become a disciplinary matter rather than a learning opportunity. Members were advised that matters would be escalated where there was evidence of malicious intent, persistent non-compliance or material financial impact. Trustees NOTED the report and were satisfied that effective monitoring and escalation procedures remained in place.	
6.	Confidential Investment Management Report The CFO presented the Investment Management Report. <i>See confidential minutes</i>	
7.	Risk Register Update Trustees received the updated Risk Register.	

	<i>See confidential minutes</i> Trustees DISCUSSED inflationary pressures, particularly rising oil costs affecting a number of schools still reliant on oil-fired heating systems. Trustees QUESTIONED what forecast work was being undertaken to understand the financial impact during the winter period. Trustees NOTED that further modelling will take place to provide additional analysis. Trustees were INFORMED of an increased fire safety risk associated with overnight accommodation at Five Islands Academy, including the need to address improvements identified by external agencies. Trustees NOTED the reduction in contract management risk following strengthened procurement procedures and central oversight arrangements. Trustees CHALLENGED whether the current risk rating relating to pupil numbers adequately reflected the longer-term demographic challenges facing schools across the Trust. Trustees were INFORMED that future forecasting and school restructuring plans were being actively developed and monitored. Trustees QUESTIONED whether the Risk Register sufficiently reflected the reputational risk of failing to uphold the Trust's values, culture and ethos, as well as the specific responsibilities associated with church school provision at Five Islands Academy. The CEO welcomed the challenge and AGREED that these areas should be incorporated more explicitly within future versions of the Risk Register. Trustees sought clarification regarding exclusion data included within the report and were advised that some figures required verification and would be updated for the next committee cycle. Trustees NOTED the updated Risk Register.	CEO
8.	Review of Pupil Numbers on Spring Census 2026 Trustees reviewed pupil numbers reported at the Spring Census and projections for Autumn 2026. Trustees were INFORMED that overall pupil numbers had reduced marginally from 10,633 to 10,608 and that projections suggested a reduction of approximately 205 pupils by Autumn 2026. Whilst significant, the reduction was slightly less severe than earlier forecasts. Trustees QUESTIONED how the Trust's position compared with other Cornwall schools and trusts. Members were advised that demographic decline and lower birth rates were creating similar challenges across the county and nationally. Trustees DISCUSSED the vulnerability of smaller schools and recognised that relatively small changes in pupil numbers could have a disproportionately large impact on financial sustainability.	

	Trustees QUESTIONED whether patterns existed in in-year transfers and pupil departures, particularly within secondary schools. The CEO explained that mobility is routinely monitored and analysed, with particular attention paid to attendance issues, safeguarding concerns, elective home education and parental choice. Trustees QUESTIONED the projected reduction in numbers at Mounts Bay Academy. Trustees were advised that historic concerns around parental confidence had contributed to lower recruitment and retention levels, but work was underway to improve community confidence and strengthen future recruitment. <i>see confidential minutes.</i>	
9.	Date of next meeting Wednesday 1st July 2026 at 4pm.	