

# OAKFIELD LODGE SCHOOL

## GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

### Scope of responsibility

As local advisory board members (LAB), we acknowledge we have overall responsibility for ensuring that Oakfield Lodge School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As LAB members, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The LAB has delegated the day-to-day responsibility to the Bursar as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Oakfield Lodge School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the LAB any material weaknesses or breakdowns in internal control.

### Governance

The LAB has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

LAB members	Meetings attended	Out of possible
John Edmonstone (Chair)	6	6
Claire Howarth (appointed Autumn 1 2021)	4	5
Mike Taylor	5	6
Pat Smith (resigned Summer 1 2022)	5	5
Su Turner (resigned Summer 2 2022)	3	6
Dawn Podmore (Summer 1 2022)	1	5

There have been a number of changes to the board over this financial year. We have had two resignations, a new member has been appointed based on skill-set to strengthen the board and we have identified suitable candidates to fill the two remaining vacancies.

The LAB takes responsibility for conducting the school's businesses, as per the guidance in the Manual of Internal Financial Procedures.

On a regular basis the LAB is provided with key information from the following areas in order for them to be able to assess the performance of the school as a whole:

- Site specific finances
- Exam performance data
- Attendance data
- Health & safety data
- Recommended improvements to the estates
- Staffing levels
- Safeguarding data

The Trust will continue to review its governance arrangements at all levels as we believe that this is not only good practice, but also to reflect the growth of the Trust ensuring that these arrangements are fit for purpose for a growing organisation.

### Challenges the LAB has faced over the last year:

- The year was subject to many disruptions due to the effects of the COVID-19 pandemic, working with the excellent leadership team to ensure that safe alternative teaching methods were implemented to minimise disruption to pupils educational opportunities.
- Comprehensive and regularly updated risk assessments provided assurance that the health and safety of all staff and pupils remained of paramount importance throughout the changing circumstances
- LAB meetings were held remotely using Teams, which allowed oversight and sound governance to continue throughout the year.
- Local Advisory Board members acknowledge the considerable efforts of all staff in meeting the challenges of the pupil assessment process and the additional stress it created for all impacted.
- The protracted process of joining the Manor Hall Academy Trust (MHAT) provided some frustration and disruption to the LAB membership. The LAB now faces the challenge of rebuilding its' membership and integrating with the new MHAT processes and policies.

### **Review of value for money**

As accounting officer, the Bursar has responsibility for ensuring that the school delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the school's use of its resources has provided good value for money during each academic year, and reports to the LAB where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the school has delivered improved value for money during the year by:

The trustees approve the budget each year and are mindful of the need to balance expenditure against income to ensure the school remains a "going concern".

Contracts are regularly reviewed to ensure they conform with the financial regulations and limits agreed by the LAB.

- Resources and services are sourced and purchased through the trust wherever possible, taking every opportunity of economies of scale to minimise cost and ensure savings.
- Comparable quotes are obtained, wherever possible, for expenditure over £1,000 up to the tender limit of £25,000.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of school policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oakfield Lodge School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The school has committed to producing a risk register, identifying the key risks to which the school is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. This will be reviewed by the LAB on a regular basis.

### **The risk and control framework**

The school's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- ensuring that the systems and controls that are in place in relation to purchasing and income are, in the main, sufficient and appropriate;
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the LAB;
- regular reviews by the board of trustees of reports which indicate financial performance

against the forecasts and of major purchase plans, capital works and expenditure programmes;

- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Audit & Risk Assurance Committee, on behalf of the Board of Trustees decided on the following focus areas for internal audit linked to the strategic risk register for the year ended 31 August 2021.

### **Governance Structures**

The governance structures and processes should be appropriate to the size and structure of the school. These must be regularly reviewed and should include Board and committee, executive and operational structures.

The MHAT LAB terms of reference state that the number of people who sit on the LAB shall not be less than seven but shall not be subject to a maximum but must be of such a number that the board remains effective and efficient.

The LAB shall have the following make up:

- 1 staff member
- Minimum 2 elected parent members \*
- The Headteacher
- Co-opted members

*\* due to the dynamic nature of pupil attendance at the PRU, it is unlikely that we will be able to recruit any parent members. We will increase the current number of co-opted members (three) to five to ensure continued effective and efficient performance of the LAB.*

### **Review of effectiveness**

As accounting officer the Bursar has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- Cheshire East Schools Finance Team
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

To date, we have not had any review carried out by external agencies. Now that we have joined the MHAT this will be done on an annual basis.

As a member of MHAT we will conform with the Trust Terms of Reference, which define the basis of engagement with the Trust Directors as follows:

#### **Purpose:**

- To provide a stronger link between Directors of the Trust and the Local Advisory Board (LAB).
- To enable Directors and the LAB to engage more effectively.
- To facilitate a relationship which supports a closer identity and enables Directors to be more actively involved with LABs, parents and the local community.
- To facilitate connectivity towards closer working practices.

#### **Role:**

- Directors to be assigned a Trust Hub and also a member of the Trust Central Team who supports and advises them (see connectivity table).
- All Directors attend at least one LAB meeting, face to face, each academic year.
- All LABs receive at least one visit from Directors each academic year.
- Directors and LAB Chairs to meet termly to further strengthen their relationship. This would be to an agreed agenda and appropriately minuted.

#### **Authority:**

- Directors attend purely in an observatory capacity; they are not involved in any decision making or have no voting rights in the LAB agenda or make any decisions linked to the authority of the Trust.
- Directors will be provided access to the LAB papers, prior to the meeting. Should there be any queries about the content of the papers, Directors should submit these in advance so that they can be considered prior to the meeting and an update and/or answer brought to the meeting.
- Directors are expected to contribute to discussions but without prejudice.

- Directors may not be able to answer immediately all of the questions that may be raised based upon the discussions in the meeting. However, Directors will commit to answer them in a full and constructive manner or advise of any delay in answering within seven working days.
- Directors are expected to adhere to the Trust's code of conduct.

Composition:

- Directors will be assigned to a Trust Hub and supported and advised by a designated member of the Trust Central Team, co-ordinated by the Head of Information, Governance and Compliance.

Reporting:

- There will be an agenda item at all full Board meetings which enable Directors to feedback to colleagues and discuss experiences, lessons learnt and any issues.
- There will be an opportunity and facility for Directors to raise any immediate serious concerns or observations with the Central Team, who will make the appropriate inquiries.

Approved by order of the Local Advisory Board on 21 November 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J. Houston', with a horizontal line underneath.

Chair - Local Advisory Board