

**BOARD OF TRUSTEES – AUDIT AND RISK MANAGEMENT COMMITTEE**

**Minutes of the meeting held virtually at 4.30pm on 5 October 2020**

<b>Present:</b>	J Wakelam, Chair R Inman (part)	J Gazzard, Vice Chair (part) A Maltpress
<b>In Attendance:</b>	S Jones (SAT Chief Financial Officer) S Graham (SAT Group HR Director) J Raffel, Group Director Finance T Elkin, Clerk C Bundy, Finance Manager F Shippam, M&A Partners	

Trustees confirmed that they had no conflicts of interest to declare in relation to the items of the agenda.

**1 Appointment of Chair and Vice Chair**

Note: at the start of the meeting, it was not quorate, therefore the appointments were not able to be made. With Committee members joining throughout the course of the meeting, appointments were consequently made.

RInman proposed JWakelam as Chair of the committee, this was seconded by AMaltpress. JWakelam proposed JGazzard as Vice Chair, this was seconded by AMaltpress. The Chair and Vice Chair accepted their appointments.

**2 Apologies for Absence**

There were no apologies.

**3 Minutes of the meeting held on 22 June 2020**

The minutes of the meeting were agreed as a correct record. The Clerk agreed to amend the typographical error in the minutes. At this stage of the meeting, the minutes were not approved as the committee was not quorate.

**4 Matters Arising from the meeting held on 22 June 2020**

The matters arising from the meeting were summarised in the report and all actions reported had been completed or, where appropriate an update had been provided on progress elsewhere on the agenda.

Report findings on payroll has established that changes need to be made: the HR team based at One will take on the role for the whole Trust. SGraham added that there will be three separate payrolls: SAT Central, One and Abbeygate. JWakelam asked, does this have any impact on pensions? No.

Note: at this point in the meeting the order of the agenda was changed.

**7 GDPR Update**

A paper was submitted by NCoules (who was not present). SGraham advised that he will take over responsibility for GDPR. The paper was accepted by the committee.

There were no GDPR breaches to report for SAT. All staff training has been harmonised. Emails are being sent to staff to remind them of their responsibilities re: GDPR, especially with remote working.

SGraham noted that some staff have been advised that when emailing more than one student, their email addresses must be in the BCC box. JWakelam questioned,

**Action**

T Elkin

have we checked that all staff have BCC (blind copy) facility? SG clarified how this can be accessed on emails.

JWakelam asked for more information on the subject access request. SGraham advised that the teaching unions tend to send out a standard freedom of information request re: pay awards, this is likely to be it. SGraham agreed to check this and update committee members.

S Graham

SGraham added that by switching to TEAMS, some staff are keen to record meetings or teaching sessions and need to ensure that participants are happy that the session is being recorded. This is work in progress. JWakelam queried whether is it the students that have to consent, how do they do this if they are under 18? SGraham advised that GDPR consent is 13 years.

Note: at 4.50pm JGazzard joined the meeting.

**3 Minutes of the meeting held on 22 June 2020**

Committee members **agreed** to approve the minutes now that the meeting was quorate.

Note: at 4.51pm RInman joined the meeting

**5 Committee Terms of Reference**

The Terms of Reference were circulated prior to the meeting. Item 6: the committee **agreed** to remove add 'procedure'.

Item 9: JWakelam questioned, should we specify that this is done annually? It was **agreed** that the text to replace 'periodically' with 'annually'. Amends to be actioned by the Clerk.

T Elkin

JWakelam highlighted the reference to people not being eligible to attend the meeting – do we want to prevent the CEO attending this meeting or should the invitation be left open? SJones noted that it's not possible to exclude the CEO within a Trust model. In the Academies Financial Handbook, it refers to the support of the CEO – this is different to Further Education Corporations.

Committee members discussed the attendance of senior members attending the meeting. It was agreed to remove the paragraph relating to attendance, just retain prohibitions on serving. FShippam agreed with the proposal to remove this paragraph.

AMaltpress proposed and JGazzard seconded that the committee agree the Terms of Reference with these amends, this was **agreed**.

**6 Internal Tracking Report**

SJones summarised the paper. All recommendations can be managed via this report. Will continue to incorporate new recommendations over time. JW noted that actions in progress do not have a RAG (Red, Amber, Green). SJones noted that 'Schools choice' recommendations were never 'ragged' and this can be ragged but it will be the view of the Trust and not the internal auditors. FShippam advised that the auditors RAG can cover more than one recommendation but could try and tie into this document. It was agreed that FShippam would RAG these and by 2021 these should be implemented.

F Shippam

RInman asked, are all the Schools Choice recommendations necessary or do we have to work through them? FShippam advised that its best to show items cleared and how they have been addressed rather than let them 'fall away'.

SJones advised that at least four Schools Choice recommendations will be removed after this meeting. SJones will work with JRaffel and FShippam re: one

S Jones

recommendation which keeps coming back as being unimplemented. This approach was **agreed**.

**8 Risk Management Update**

JR summarised the paper. A risk has been added re: Covid-19 and potential impact on staffing arrangements. No risks have been removed from the register since the last review.

JWakelam questioned whether the equipment being used by staff at home is their own equipment or that of the college? JR confirmed that they use the college equipment.

RInman noted that there are has been no movement, are we confident that all red risks are stable? JRaffel advised that some risks have come down slightly.

**9 Internal Audit Report – Risk Management**

FShippam presented the report. There is now a two-part RAG-rating. Have considered the former management process to give a 'steer' to JRaffel and SGraham as to the new design of the report.

The gradings are 'subjective'. JWakelam thanked FShippam for his thorough report. SJones noted "This is a big improvement compared to what we have been used to".

**10 Review of Risk Management Arrangements**

SJones provided an overview and the background to the management of risk. Changes have been made to improve the usefulness and relevance of the Risk Register.

JWakelam expressed concerned that by not having a policy and a procedure, we don't want to duplicate but do we need more detailed procedure? SJones advised a short policy as the procedure is quite detailed and can action this.

RInman agreed to a short policy as this is a good way to deal with risk 'appetite'. AMaltpress and JWakelam agreed to the proposal to create a short policy which can still be reviewed annually.

Risk appetite: SJones explained the rationale behind the creation of the report. JWakelam advised that she did not understand the risk appetite grades? SJones addressed this further. JWakelam asked why financial risks are 'cautionary'? SJones explained that the Trust is in a good position financially and is not close to a financial problem. JWakelam asked, would the finance committee have an input into this?

All present discussed the format of reporting.

RInman propose that FShippam needs to be involved at some level to ensure that risks are being checked properly to give assurance to committee members and Trustees that executive colleagues are working on judging risk properly. SJones noted that as part of the budget for the auditors he will participate in risk management work and will be part of the end of year reporting. FShippam added that in the audit cycle, one visit could be a catch-up on progress and actions taken and could check that the new risk management is operating effectively and that responsibilities could be carried out.

RInman expressed confidence that this could be part of an annual cycle but would prefer that "External auditors are spot checking the register and the delivery of tasks so we can be assured from an internal audit function". JWakelam agreed with this approach, where do we take this from here? RInman proposed that it's taken forward and included in the procedure. SJones to action this.

RInman noted, do we need to have a formal methodology over items in red if they appear over a series of meetings? JWakelam proposed that the heat map if shared at any meeting could help? SJones advised that there should be a plan to address this. The Heat map in its present version is good to show distribution of risks but only a snapshot in time and the committee “Really needs to see a trend”.

Committee members discussed.

RInman questioned, in terms of reporting to the committee and the Board, does your reporting need to be documented out in more detail? FShippam noted that this would be helpful and detailed the content of submissions, but this would be useful. The timetable for reporting will also be different to the historic timetable. RInman proposed putting the timetable into the procedures.

F Shippam

RInman questioned, who will debate and set risk appetites? It was agreed that these will be reviewed by the committee and then a proposal will be presented to the Board. SJones proposed that the changed Risk Register format goes live in January 2021. Could take a paper to the SAT Board in December to talk about proposals for change – this was **agreed**.

S Jones

Committee members discussed the categories of risk in detail. It was **agreed** that wording to be **‘Mild, moderate, severe’**

Risks in each category would also be scored.

SJones agreed to change the wording following this discussion and share by email to committee members.

S Jones

SJones noted the Board assurance map, do members agree with discontinuing this? This was **agreed**.

S Jones

Members thanked SJones and JRaffel for “A great piece of work and we’ll be much better going forward”.

**11 Any other Business**

There was no other business declared.

**Date of next meeting**

Monday 23 November 2020 at 5.00pm.

The meeting closed at 6.10pm