

AUDIT AND RISK MANAGEMENT COMMITTEE

Minutes of the virtual meeting held on 7 February 2022 at 4.00pm

Present virtually: A Maltpress R Inman, Chair
J Wakelam, Vice Chair (part) R Murray
M Whittingham

In attendance: A Lynch, M+A Partners
J Raffel, CFO
N Savvas, CEO
R Bamford, Group Vice Principal MI and Data
S Gales, Governance Professional
S Graham, Group HR Director

Apologies: G Kerkham, Larking Gowen
S Holbrook, Larking Gowen

1 Declaration of Interests and Apologies for absence

J Wakelam declared her role as a Governor of West Suffolk College and R Inman declared his role as a partner of Stone King LLP which advises West Suffolk College. No other conflicts of interest in relation to the items of the agenda were declared.

No apologies were received.

2 Minutes of the meeting held on 22 November 2021

The minutes of the meeting on 22 November 2021 were **agreed** as an accurate record.

3 Matters Arising from meeting on 22 November 2021

All matters arising from the meeting were complete except MA3, which is summarised below.

MA3 J Raffel met with A Lynch and agreed a process for managing journals.

4 Risk Management Update

There are currently **1 red**, **7 amber**, **7 yellow** and **0 green** risks on the register. 14 risks have not changed, 1 have reduced in score, no new risks have been added to the register and the risks which were green post mitigation (R012, R027, R026, R023, R009 and R004) have been removed from the register to enable Trustees to focus on the most serious risks.

J Raffel noted that whilst the post mitigation green risks are removed from the Trustee's risk register, these risks remain on the risk register and are regularly reviewed by the Executive to ensure these risks are still reviewed and can be reviewed by Trustees should the risk increase.

Trustees queried whether there are separate risk registers for each college. J Raffel confirmed that there is one risk register for the Trust inclusive of each college, and the risk register is reviewed by the senior executive team.

Trustees queried if M+A Partners are happy with this approach to reviewing only the red, amber and yellow post-mitigation risks. A Lynch confirmed that this is a pragmatic approach, so long as there is a robust mechanism for reviewing the post-mitigation green risks to ensure there is continuous review and proactive management of these risks.

The Committee discussed whether there should be some Committee visibility of these post mitigation green risks. The Committee asked that, for future reports, for the post mitigation green risks to be added to the appendix, with commentary to show which have been removed from the Trustee's risk register so the Committee can observe these and discuss by exception if deemed necessary.

Action

JRaffel

The Committee discussed that the methodology for the calculating the level of risk and noted that there is a certain amount of subjectivity to this calculation. The Committee discussed that it would be helpful to have additional detail of the 'control measure' and 'action required' appended, to provide additional transparency and assurance. N Savvas and J Raffel to discuss and present proposal to the Committee.

NSavvas
JRaffel

JWakelam joined the meeting at 4.17pm

J Raffel noted that he has appointed a Finance Assistant – Risk, who will maintain the risk register. The Committee queried the targets for this new appointment; from the perspective that the new appointment was not incentivised to remove risks at the detriment of the organisation. J Raffel confirmed that the role is primarily to support the administration of the risk register with scope to robustly challenge methodology, to ensure consistency; and the targets will be more focussed on accuracy of apportioning and maintaining mitigations and timeliness/effectiveness of reporting.

The Committee discussed R025 (relating to ASFC Health and Safety initial report and recommended actions) and queried whether this risk is still amber. A Maltpress, as Trustee Lead for Health and Safety, provided an update to the Committee and noted that health and safety arrangements are adequate and are improving. However, the Trust's health and safety team is quite small, so the pandemic has impacted the team's capacity. N Savvas added that all actions of the initial report and recommendations have been actions and systems are in place, and the Group Operation's Director is looking at ways to increase staffing capacity of the Trust's health and safety team. As such the Committee determined that R025 should not be amber, and should be removed from the risk register.

JRaffel

The Committee discussed R002 (relating to Trust/Local Governing Body/Academy relationships) and queried whether this risk should still be on the register given the changes to the Trust's governance structure. The Committee determined that it is no longer relevant and should be removed.

JRaffel

The Committee discussed whether there is any risk relating to the Trust's Gender Pay Gap and whether it affects talent retention and/or candidate attraction. S Graham noted that the Trust's gender pay gap has improved/narrowed year on year and noted metrics, which are beyond the pay gap metrics, such as offering flexible employment terms are shown to be more incentivising for women and supports them back into the workplace - which the Trust offers. S Graham also noted that we have not received any feedback to indicate that the Trust's Gender Pay Gap report is making us less attractive as an employer or causing any gender-based animosity resulting in worsening retention. N Savvas noted that the Trust's Gender Pay Gap report is closely reviewed at the Trust's Resources Committee.

The Committee discussed R028 (relating to obtaining ESFA approval for RPTs) and queried whether there are any operational financial pressures relating to this. N Savvas noted that we have been strengthening our internal processes and working with the ESFA to gain approval for RPTs in 2022/23. The Committee agreed that until the Trust's internal processes have been strengthened and the RPTs have been submitted, this remains a significant risk. The Committee discussed that the due completion date of May 2022 is quite late and gives very little time to go through the approval route again if the ESFA reject the submission. S Gales to draft an action plan with timeline and key milestones for the actions required with the Committee Chair.

S Gales

5 Internal Audit Recommendations Tracking Report

Trustees received and considered the summary report provided. J Raffel summarised the progress on the five recommendations, of which 1 is partially complete and 4 remain ongoing.

The Committee discussed the risk relating to review of suppliers and identify any reliant on EU based resources and whether, given this is no longer on the risk register,

if this should remain on the tracking report. J Raffel noted that this remains on the tracking report to ensure that we improve internal documentation of supplier decisions, regardless of their location (EU or other).

The Committee requested that the recommendations of the external auditors also be included on the tracking report.

JRaffel

6 Internal Auditor's Findings Report

Trustees received and considered the final Risk Register Mitigating Controls report, the summary of which was discussed at the previous meeting.

A Lynch informed that two further internal audits are scheduled for the summer term.

7 GDPR Update

Trustees received and considered the report provided. S Graham noted that since the previous update, there were 8 GDPR data breaches (2 at ASFC and 6 at OSFC), which have been investigated and any actions required have been carried out. There was 1 subject-access request as OSFC via a solicitor on behalf of a student, which is being processed.

The Committee noted that the Group Data Compliance Officer is now a qualified data protection officer and queried whether we will still use the DPO Centre. S Graham confirmed that we have no plans to change yet.

The Committee queried the Committee should be concerned about the subject-access request. S Graham confirmed that this is not for use against the Trust

8 Review of Committee Membership, Skillsets and Training Requirements

Trustees received and considered a report summarising the Committee's membership, skillset and proposing training delivered by CST.

The Committee discussed that it would be beneficial for the entire Trust Board to undertake risk assurance training specific to the Trust's risk register which would also enable further discussions about the Trust's risk appetite.

The Committee noted the Committee Chair is a leading specialist in risk assurance and the legal requirements of Trusts, and agreed that it would be more beneficial for the Chair to deliver the specific training to the Trust Board. The Committee Chair agreed to offer the training but absented himself from the vote on whether this was the Committee's preferred option. The Committee agreed it was preferable to other training and asked S Gales to arrange.

SGales

JWakelam left the meeting at 5.25pm

The Committee agreed that the membership of the Committee was effective.

9 Any Other Business

No items discussed.

The meeting closed at 5.29pm