AUDIT AND RISK MANAGEMENT COMMITTEE

Minutes of the hybrid meeting held on 4 October 2022 at 4.30pm

Present virtually:	H Nydam, co-opted	K Chapman
	J Gazzard, Chair	N Roberts, co-opted
	J Wakelam, Vice Chair	
In attendance:	C Shepherd, FA - Risk	
	J Raffel, CFO	
	L Cox, Scrutton Bland	
	M Chatt, Deputy CFO	
	N Savvas, CEO	
	P Ewan, Head of Finance	
	S Gales, Governance Professional	
	S Graham, CPO (part)	
Apologies:	A Mapana, co-opted	
	G Grainger, CIO	
	P Goddard, Scrutton Bland	
	S Mason, RSM	

Action

1. Appointment of Chair and Vice Chair

The Committee recognised Jim Gazzard as the Chair and Julia Wakelam as the Vice Chair of the Audit and Risk Management Committee for 2022/23, as appointed by the Corporation at their meeting on 13 July 2022.

2. Declaration of Interests and Apologies for absence

J Wakelam declared her role as a Trustee of Suffolk Academies Trust and J Gazzard declared his role as a Member of Suffolk Academies Trust. No conflicts of interest in relation to the items of the agenda were declared.

Apologies were accepted from A Mapana and G Grainger.

3. Minutes of the meeting held on 30 June 2022

The minutes of the meeting held on 30 June 2022 were **agreed** as an accurate record.

4. Matters Arising from meeting on 30 June 2022

MA 2 and MA 6 are still ongoing and will be reported at the next meeting, all other matters arising from the previous meeting were complete.

CFO
Governance Professional

5. Committee Terms of Reference and Skillset

Governors received and considered the Terms of Reference and Committee Skillset provided.

Governors discussed the 'personal attributes' section of the Committee Skillset and agreed to amend clause 2 to as 'read materiality and risk' and clause 3 of to read as 'commitment to improve own and the Committee's effectiveness and take up relevant training opportunities'.

Governors discussed the Terms of Reference and agreed to amend the Office for Students to be an acronym elsewhere, and discussed clause 8 and agreed this clause should be included within the Finance Committee's remit.

Finance Committee

Governors **approved** the Terms of Reference and Committee Skillset, subject to the amendments above.

Governance Professional

6.	**Risk Management Update**	
	There are currently **3 red**, **6 amber**, **17 yellow** risks on the register, of which 2 new risks have been added to the register and 2 risks have been removed from the register.	
	Governors discussed R120 (relating to fraudulent activities) and queried whether the mitigation is sufficient if it is still reliant on manual checking. The CFO clarified how the control will be implemented.	
	Governors discussed R069 (relating to failure to achieve full cost income) and queried given the year-end position whether this risk should be rated higher. The CFO agreed to reconsider the risk rating.	CFO
	Governors discussed R093 (relating to data mismatch) and queried if there is likelihood of a reoccurrence of the mismatch. The CFO clarified how these mismatches occur and the controls in place	
	Governors discussed R049 (relating to transport costs) and queried if the yellow rating is an accurate reflection of the risk given the rising costs. The CFO summarised the rationale for the rating.	
	Governors discussed the risks added, removed and reassigned within the register and accepted these changes.	
	Governors noted the changing external financial environment and asked the Executive to provide an update at the next meeting as to the rising risks and exposure.	CFO
	The CFO presented the proposed new design for the Risk Register and outlined the key changes. Governors **approved** the concept and asked the Executive to fully populate the design and circulate to the Committee.	
7.	**Audit Recommendations Tracking Report**	
	The Committee received and considered the tracking report which shows that of the 33 recommendations; 8 are complete, 25 are ongoing and 2 are awaiting an update.	
	Governors asked for the future report to have expected completion dates.	CFO
	Governors noted that some People recommendations date back to previous academic years and, noting the importance of People within our strategic plan, asked for these recommendations to be prioritised.	CPO
	Governors queried, given this a requirement of the funding regulations, the end date for the recommendation relating to the need for a business continuity plan. The Executive to provide update paper at the next meeting.	CFO
	Governors queried, given the recommendations relating to cyber security, whether these continue to present a significant concern. The CEO noted the work done to mitigate this risk including recruiting a cyber security expert.	
8.	**Internal Auditor's Findings Report**	
	i. **Student Support and Progress Monitoring**	
	Governors received and considered the internal audit which took place in August 2022 and received **significant** assurance; with 2 low risk recommendations.	
	L Cox summarised the recommendations. Governors discussed the management response to the second recommendation and asked if this had been fully accepted. The CEO confirmed it had been accepted.	
	ii. **Governance**	
	Governors received and considered the internal audit which took place in June 2022 and received **strong** assurance; with no recommendations.	

Governors commended the Governance Professional, fellow Governors and Executive for their efforts in securing strong assurance.

9. **<u>GDPR update</u>**
Governors received and noted the update report provided, and the CPO summarised the report noting that since the last there have been 6 GDPR breaches/near misses (all of which have been investigated and any actions required have been carried out), report, as well as 1 Data Subject Access Request and 1 Freedom of Information request both of which were responded to within the time frame.

Governors queried the severity of the breaches. The CPO noted these were minor breaches. Governors asked future reports to specify whether the breaches were minor or reportable.

CPO

10. **<u>Any Other Business</u>**
   - **Post-16 Audit Code of Practice**
Governors received the updated code of practice and noted that additional changes have been made (pages 5 and 6). Governors agreed to read the document.

   - **Next meeting**
The Governance Professional noted that the November meeting will see the external auditors present the audited accounts to the Committee and Corporation members, so the agenda will be slightly re-organised to facilitate this discussion.

The meeting closed at 5.33pm