

Diverse Academies Trust
Minutes of the Audit and Risk Committee Meeting

Wednesday 4 October 2023 at 4.30pm, held via Microsoft Teams.

Quorum required:2

Committee members present: 3

Trustee name	Initials	A = absence
Mr M Quigley MBE	MQ	
Miss N Marriott	NM	
Mr I Storey (Chair)	IS	

In attendance (staff or other invited persons):

Staff name	Initials	Role	A = Absence
Mr D Cotton	DC	Chief Executive Officer and Accounting Officer	
Mr G Corban	GC	Chief Operating Officer	
Mrs R Harvey	RH	Executive Business Leader	
Mr G Gillespie	GG	Wylie Bisset Internal Audit	
Mrs S Brook	SB	Wylie Bisset Internal Audit	
Mrs J Harrison Hill	JHH	Governance Professional	

Agenda item number	Item	Action by who/when
1. ARC/01/2324	Appoint Chair Mr I Storey was reappointed by committee members as Chair.	
2. ARC/02/2324	Apologies for absence There were no apologies for absence. Mr Storey welcomed Mr Gillespie and Mrs Brook from Wylie Bisset to the Committee meeting.	
3. ARC/03/2324	Declaration of interest and any changes to be advised There were no declarations of interest, either direct or indirect, for any items of business on the agenda. The Chair asked if anyone had any declarations to update. Trustees confirmed that the declarations given at the beginning of the academic year were correct.	
4. ARC/04/2324	Minutes of the meeting dated 20 June 2023 The minutes of the meeting, having previously been received were agreed by the Chair.	
5. ARC/05/2324	Matters Arising: See action log on page 5. Both items were noted as now complete.	
6. ARC/06/2324	Internal Auditor Pre Assessment Process (Wylie Bisset) Document: Audit Needs Assessment was previously received by the Committee. Mr Gillespie discussed the Audit Needs Assessment document. Highlighting the approach taken to produce the assessment.	

	<p>The key Personnel involved in the internal audit work were detailed in the report.</p> <p>The operational plan proposed for 23/24 had been aligned to areas raised by Trustees and identified appropriate areas.</p> <p>High level scope and planned objectives are detailed in the report for each proposed area.</p> <p>An assignment plan will be developed in consultation with key staff related to each audit area, setting out a detailed scope and objectives of the work.</p> <p>The report detailed how the reporting of audit work would be undertaken and proposed timetables and reporting responsibilities.</p> <p>Mr Gillespie highlighted the Key Performance Indicators for Wylie Bisset.</p> <p>Training topics were summarised which are available to the Trust as part of the service provided.</p> <p>Trustees commented that the report was helpful and informative.</p>	
<p>7. ARC/07/2324</p> <p>ARC/08/2324</p>	<p>Accounting Officer Report</p> <p>Document: Accounting Officer Report was previously received by the Committee.</p> <p>Mrs Harvey discussed the changes to the report explaining that these have been made to ensure areas raised by Trustees are covered and to align with compliance of the Academy Trust Handbook.</p> <p>Positive changes and successes within the Trust were highlighted, in particular the two recent Ofsted inspections raising the Ofsted rating in Queen Elizabeth Academy and Wainwright Academy. Both schools, which had previously been re-brokered into the Trust due to being inadequate, had for the first time ever in both schools' histories achieved an Ofsted rating of Good, now having strong foundations and sustained school improvement.</p> <p>Trustees noted the outstanding achievements made by the Trust.</p> <p>Risk Management</p> <p>Documents: Appendix A Risk matrix detailed report and Appendix AA Operational Risk Registers May 23 were previously received by the Committee.</p> <p>Mrs Harvey highlighted that currently there remains six key risk areas identified, which have been continuous and stable over the last 12 months.</p> <p>Key issues to these are caused by external issues and threats.</p> <p>Totality of risk conversations have previously been held between Trustees and Executives, with not every risk being included in the risk register from an operational level, they do filter into the overarching themes on the Risk Register.</p> <p>The report details in section 2.1 areas where mitigations are in place to manage risk.</p> <p>Section 2.2 of the report refers to continuing work to develop further the Board risk appetite statements and ensuring expectations are clear and aligned to risks, enabling Executives to respond regarding assurance levels.</p> <p>Trustees commented that the Committee require assurance that the risk management process is working. The outputs of the process should allow the Committee enough visibility to understand and challenge the risks in terms of trending and mitigation.</p> <p>Trustees were concerned that the process did not fully allow this. The identification of inputs other than LAC risk registers, and the moderation/aggregation of the inputs, were not visible. Where risk levels have been perceived to be low they should still be recorded as such to enable Trustees to challenge.</p>	

ARC/09/2324	<p>A detailed discussion was held regarding how to approach the needs of Trustees to provide this assurance.</p> <p>Trustees agreed that Wylie Bisset would share examples of good practice in risk management including corporate risk register templates to enable the committee and executives to resolve the issue.</p> <p><u>Audit programme 22/23</u></p> <p>Documents: Appendix B DAT Report Key Financial Controls, Appendix C Academies Final Trust CBCP Appendix C Head Office CBCP Appendix C Trust CBCP Appendix C ICCA Report Appendix D Management Actions Follow up Appendix G overview of Management response</p> <p>were previously received by the Committee.</p> <p>Trustees queried if Wylie Bisset programme would review previous management actions.</p> <p>Mr Gillespie confirmed that a follow audit would be undertaken on previous years recommendations.</p> <p>Trustees queried if Executives were confident that the management actions put in place address the red and amber issues raised in the Contingency and Business Continuity Planning audits.</p> <p>Mrs Harvey confirmed that the actions are being progressed and reported in the tracker and will continue to update the Committee.</p> <p>Wylie Bisset is being consulted for best practice in this area.</p> <p>Trustees noted and agreed appendix B and Appendix C key financial controls and management responses.</p>	
ARC/10/2324	<p><u>Internal audit programme 2023/2024</u></p> <p>Document: Appendix E Audit programme 2023/2024 was previously received by the Committee.</p> <p>Trustees agreed to the internal audit programme detailed in the Audit Needs Assessment, noting that following work to be undertaken following best practice templates, the risk management audit may need to be deferred depending on progress made.</p> <p>Following a Trustee query, it was confirmed that Wylie Bisset would undertake internal audits previously undertaken by other providers e.g. Health and Safety based on a cyclical approach to key areas of risk on a 3 yearly cycle.</p>	
ARC/11/2324	<p>Quality Assurance audits sit outside of internal audit work.</p> <p><u>Data breaches (GDPR)</u></p> <p>Document: Appendix F Cyber update was previously received by the Committee.</p> <p>The Accounting Officer report provided an update of data breaches.</p> <p>Trustees queried if significant data breaches between Audit and Risk Committee meetings would be flagged with the Committee members, Mrs Harvey confirmed they would.</p> <p>Trustees commented that the Cyber report was very high level given the serious threats recently experienced in the sector and suggested a more detailed presentation from the Head of IT at a future meeting.</p> <p>Action: Cyber presentation from Head of IT at Audit and Risk Committee Meeting.</p>	
ARC/12/2324	<p><u>Complaints</u></p> <p>Mrs Harvey summarised Complaints, commenting that the sector has seen an increase in complaints.</p> <p>At the next Audit and Risk Committee information on trends in the Trust will be presented to trustees.</p>	Agenda

	<p>Trustees agreed that information on complaints trends would be beneficial along with a categorisation of type of complaint. Action: Information of trending complaints and categorisation to be brought to next Audit and Risk Committee meeting on 29 November 2023.</p> <p>Trustee raised that previously the Accounting Officer report detailed claims for review, asking where the review now being carried out. Mrs Harvey explained that claims are managed in accordance with policy and process and that a review the complaints policy is being undertaken by an improvement group.. Action: Discussion between Mrs Harvey and Chair of Audit and Risk Committee to agree level of reporting on claims within Accounting Officer report.</p>	RH RH/IS
8. ARC/13/2324	<p>Internal Scrutiny report and Trust Annual Report As discussed at the previous Committee meeting it was agreed that the Internal Scrutiny report would be presented in the same format as the previous year. Executives would write the summary report and attach the Internal Auditors report as an appendix.</p>	
9. ARC/14/2324	<p>Board Risk Appetite Meeting feedback & next steps Following discussions held in agenda item 7 regarding the risk management process Trustees had discussed the need to integrate the boards views on risk appetite with the risk register.</p>	
10. ARC/15/2324	<p>Strategic Objectives update Mr Cotton confirmed that the Trust Board Meeting on 11 October 2023 will be discussing the strategic objectives. No issues had been raised specific to the Audit and Risk meeting ahead of this discussion.</p>	
11. ARC/16/2324	<p>Policy Approval No policies for approval</p>	
12. ARC/17/2324	<p>Issues referred to/from the Board</p> <ul style="list-style-type: none"> • The Committee agreed the 2023/24 Internal Audit programme. • The Committee agreed the management responses to Key Financial Controls report. • Wylie Bisset to share good practice and templates for Risk Management reporting. • Trustees had discussed the need to integrate the boards views on risk appetite with the risk register. 	
13. ARC/18/2324	<p>Determination of confidentiality of business Trustees considered whether anything discussed during the meeting should be deemed as confidential. It was resolved: That no confidential information had been discussed</p> <p>Equality Act consideration There had been no Equality Act implications.</p> <p>Nolan Principles Attendees were content that all decisions made adhere to the seven Nolan principles.</p>	
14. ARC/19/2324	<p>Date and time of next meeting: Wednesday 29 November 2023, 4.30pm via Microsoft Teams.</p>	

Meeting closed 17.59

Minutes Agreed:

Agenda item 5: Matters Arising:
ARC/05/2324

Minute reference	Meeting date raised	Action required	Owner	Date due	Status	Comments/progress
ARC/39/2223	01/03/2023	Action: Document to model aggregation of information and elimination of subjectivity to build up corporate risks.	R Harvey		complete	Action: A meeting to be arranged between trustees and Mr Cotton, Mr Corban, Mrs Harvey to review information required to assure Trustees of the process - Update meeting held 7 August 2023 IS/GC
ARC/69/2223	20/06/2023	Action: Mrs Harvey to share audit programme for 2023/24 by end of July for agreement by Committee.	R Harvey		Complete	update: R Harvey shared via email 6/9/2023