

Diverse Academies Trust
Minutes of the Audit and Risk Committee Meeting

Wednesday 28 February 2024 at 4.30pm, held via Microsoft Teams.

Quorum required:2

Committee members present: 3

Trustee name	Initials	A = absence
Mr M Quigley MBE	MQ	
Mrs M Blore	MB	
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 Bissett Internal Auditor	
Mrs S Brook	SB	Wylie Bissett Internal Auditor	
Mrs J Harrison Hill	JHH	Company Secretary and Governance Professional	

Agenda item number	Item	Action by who/when
1. ARC/38/2324	Apologies for absence There were no apologies for absence. Mr Storey welcomed Mrs Blore to her first Audit and Risk Committee meeting and carried out introductions.	
2. ARC/39/2324	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.	
3. ARC/40/2324	Minutes of the meeting dated 29 November 2023 The minutes of the meeting, having previously been received were agreed by the Chair.	
4. ARC/41/2324	Matters Arising: See action log on next page	
5. ARC/42/2324 ARC/43/2324	Internal Audit <ul style="list-style-type: none"> Internal auditors update review of Internal audits Mr Gillespie updated the Committee that the audit work is underway, with the first few audits now completed and drafted. The reports will be ready to report back to the Committee at the 5 June 2024 meeting. <ul style="list-style-type: none"> A&R Audit Management actions tracker Document: A&R Audit Management actions tracker was previously received by the Committee.	

	It was confirmed, when the Trustees enquired , that there were no older action points that remained unfinished that were not shown on the tracker.	
6. ARC/44/2324	<p>Risk management</p> <ul style="list-style-type: none"> • Risk register <p>Document: Risk register was previously received by the Committee. Following Trustees asking for a detailed talk through of the document, process and resulting report, Mrs Harvey discussed the document at length with the Committee, explaining the new process and outputs. The exception reporting snaps out the high-level overview of the details of the risk register.</p> <p>Trustees raised financial loss impact and if categorisation of low or high financial loss in terms of figures could be provided. Mr Corban confirmed that these need to be defined and would be reviewed. Trustees added that metrics around major and minor damage would also provide guidance.</p> <p>Action: Metrics around financial losses and damage to be provided. Mrs Harvey detailed the moderation process undertaken for the risk register which included various stakeholders. Key mitigations have been built up from input from stakeholders such as business leaders, educational leaders, and strategic leads. Some of the risks were described as having cross cutting themes, but have been reported under one area, with other connected areas referenced in the spreadsheet.</p> <p>Trustees discussed the risks listed, and assurance required to ensure all risks are encompassed. Trustees noted that part of the validation process is the connection to committees; the risk register requires committees to validate if any other areas of risk are not detailed on the register.</p> <p>Trustees discussed the visibility of areas which have not been reported into the risk register due to mitigations resulting in green. Mrs Harvey explained that the Browne Jacobson update, National Risk Register, Confederation of School Trusts and RSM assure external issues are monitored and considered. Internally, risks areas are captured from Educational Review Meetings, Academy Improvement Review Meetings, Business Leader meetings to ensure the list does not become too unwieldy.</p> <p>Trustees discussed how risks not being escalated to the risk register would be monitored, with Mrs Harvey explaining that a certain level of risk must be accepted and managed on a day-to-day basis. The risk register details the risks that cause concern to Trustees, senior leaders, and staff and that require resources to deal with them. Committee engagement can also raise concerns on areas where they are unable to see how the risk is being managed. Committee meetings to discuss the relevant area and if this needs to be progressed to the Audit and Risk Committee. Mitigation or assurance of management of risk should come through reports to relevant committees.</p> <p>Action: Risk register to be shared with Committees to start discussion on areas of risk.</p> <p>The Committee were then taken through the categories of the risk register. An area for further development is risk appetite.</p> <p>Trustees discussed reputational category, believing that the risks fit better within the categories which the issues relate to. Renaming of this category was suggested to incorporate legal risks.</p> <p>Action: RH/GC to look at putting some of these reputational risk and issues into other categories and reduce to legal risks.</p> <p>Following trustees querying how details of actions identified to improve controls are measured to show progression, Mrs Harvey explained that the parallel process of organisational performance management and strategic objectives, with reporting on progress of workstreams and areas over a</p>	<p>RH/GC</p> <p>RH/JHH</p> <p>RH/GC</p>

ARC/45/2324	<p>period, record progress. A parallel impact on risk should be seen for either progress, not progressing or areas that remain the same. In the risk register, reference can be made to the progress of strategic objective workstreams that also deliver risk mitigation, to avoid duplication.</p> <p>Trust Board risk appetite to risk register, to inform expectations around risk levels and tolerance, is required and discussion at Committees to formulate expectations each area.</p> <p>Trustees discussed how the risk register informs the audit programme. At the next Audit and Risk Committee meeting in June will be able to start to identify areas to focus on for the 24/25 audit programme.</p> <ul style="list-style-type: none"> Appendix B Browne Jacobson termly report was previously received by the committee. 	
ARC/46/2324	<p>Trustees were informed, following questioning, that the report is produced termly. The external risks have remained stable since the previous report.</p> <ul style="list-style-type: none"> Appendix C Emerging Risk Radar July 23 Horizon scanning was previously received by the committee. 	
ARC/47/2324	<p>Mrs Harvey confirmed that this was a new report which was used to sense check the risk register alongside the BJ termly report and national risk register.</p> <p>Trustees commented that they were useful sources.</p> <ul style="list-style-type: none"> Exceptions reporting was previously received by the Committee. <p>The exceptions report had been discussed under item ARC/44/2324 with the full risk register. Although it is inevitably very high level, trustees agreed to keep the exceptions report alongside the risk register.</p>	
7. ARC/48/2324	<p>Accounting Officer report</p> <p>Document: Accounting Officer Report was previously received by the Committee.</p> <p>The Accounting Officer report detailed the follow areas:</p> <ul style="list-style-type: none"> Introduction and context Financial reporting General Data Protection Regulation (GDPR) Data Protection and Information Requests Claims Complaints Safeguarding Horizon Scanning- Risk and Performance Any other matters <p>Trustees confirmed that they had read the report. Mrs Harvey explained that complaints reporting is still being developed to ensure it provides the information needed.</p> <p>Trustees commented that a table for data breaches, SARS, FOI requests and complaints, with comparative data to show trends or exceptions, would be useful.</p> <p>Mrs Harvey explained that this is being developed to ensure covers all areas of information for oversight and will be available at the next meeting.</p> <p>Trustees queried if the recent SAR which involved the ICO had any further updates to report.</p> <p>Mr Corban clarified that the ICO had asked to reconsider the response and outline to the subject access request individual how the response had been approached. This has been undertaken and no response has been received from either the individual or the ICO.</p> <p>Claims details were shared on the screen.</p> <p>Safeguarding audit report is being completed by Wylie Bissett and is due to be reported to the Committee in June.</p>	
8.	Policy Approval	

ARC/49/2324	<p>Document: Risk Policy & Summary of Changes was previously received by the committee.</p> <p>Trustees commented the policy had been amended to reflect the new process, Mrs Harvey added that the changes were also reflected in the summary of changes document.</p> <p>Trustees approved the Risk Policy.</p>	
<p>9. ARC/50/2324</p> <p>ARC/51/2324</p>	<p>Issues referred to/from the Board</p> <p>From Board</p> <ul style="list-style-type: none"> • Membership and remit of Audit and Risk Committee and Finance and Resources Committee. <p>Mr Storey updated the Committee that following discussion at the Board regarding the overlap between membership of Finance and Resources and Audit and risk Committee members, the Board were satisfied with the membership. The Scheme of Delegation remits had also been recirculated and the Board were in approval with the remits of each Committee.</p> <p>To Board</p> <ul style="list-style-type: none"> ○ Risk Register ○ Ensuring aware of new risk process and how committees fit into the new process ○ Trust Board risk appetite around risk register ○ Approved Risk Policy 	
<p>10. ARC/52/2324</p>	<p>Determination of confidentiality of business</p> <p>Trustees considered whether anything discussed during the meeting should be deemed as confidential. It was resolved:</p> <ul style="list-style-type: none"> ○ That no confidential information had been discussed ○ No confidential items were received by the Committee. <p>Equality Act consideration</p> <p>There had been no Equality Act implications.</p> <p>Nolan Principles</p> <p>Attendees were content that all decisions made adhere to the seven Nolan principles.</p>	
<p>11. ARC/53/2324</p>	<p>Date and time of next meeting: Wednesday 05 June 2024, 4.30pm, via Microsoft teams</p>	

Meeting closed at 17.47

Agenda item 5: Matters Arising:

ARC/41/2324

Minute reference	Meeting date raised	Action required	Owner	Date due	Status	Comments/progress
ARC/12/2324	04/10/2023	Complaints: Action: Information of trending complaints and categorisation to be brought to next Audit and Risk Committee meeting on 29 November 2023.	RH	29/11/2023	In progress	<p>Now included in accounting officers report. Further work is required on more informative statistical information and trending.</p> <p>Example of trending information is included in the accounting officer report. As part of the overall improvement programme trying to find a way to bring all information into one place this is expected to be ready by June, currently exploring technology to bring efficiency to the process around information requests.</p> <p>This item is now complete.</p>
ARC/26/2324	29/11/2023	Internal Scrutiny Report: Action: Mrs Harvey to summarise audit reports for inclusion into Internal Scrutiny report, and agree wording with ICCA and Karen Bonsor Consultancy, for recommendation by Committee to Board.	RH	06/12/2023	complete	Complete.

ARC/28/2324	29/11/2023	Management Actions Tracker of responses: Action: Mrs Harvey to confirm in the report to the Committee in February if there are any items outstanding from previous years. Moving forward the Committee will at the last meeting each academic year agree any items to be carried forward for the following year.	RH	28/02/2024		Tracker received as part of reports for the committee. RH confirmed nothing from previous reports prior to this tracker. This item is now complete.
ARC/29/2324	29/11/2023	External Scrutiny: Discussion on composition of committee members of Audit and Risk and Finance and Resources, and receiving audit report. Action: Mr Storey will raise these suggestions with the Board.	IS	06/12/2023		Mr Storey reported that the Trust Board were happy with the fact that overlap of some members between Audit and Risk Committee and the Finance and Resources Committee. This item is now complete.
ARC/30/2324	29/11/2023	Accounting Officer Report: discussion on ICO subject Access request. Action: Mr Corban will provide an overview of the issue and how this was dealt with at the next Committee meeting.	GC	28/02/2024		This item was covered in the accounting officers report. This item is now complete.