



MINUTES OF THE SPECIAL MEETING OF THE AUDIT & RISK COMMITTEE MEETING HELD 08 SEPTEMBER 2022 @ 17.30 VIA ZOOM

Present: Mr Stephen Hewes (Chair)
Mr Gerard Weide
Ms Katherine Fulker

In Attendance: Ms Kim Saw - Director of Finance
Mr Jon Allen - Clerk
Mr Stuart Wilcox - Risk Champion
Mr Chris Whelan - Chief Executive Officer, Reigate LA

WELCOME, APOLOGIES & DECLARATIONS OF INTEREST

1. The Chair welcomed everyone to the meeting. Introductions were made to Kate Kulker, newly appointed Trustee and member of the Audit & Risk Committee. There were no apologies. There were no declared interests against any of the agenda items.

2. It was confirmed this was a special meeting to discuss and propose for Board approval the '*Risk Management Policy 2022/23*' and to review the proposed new format for the Trust's Risk Register.

RISK MANAGEMENT POLICY 2022/23

3. The paper was introduced by the Clerk following an extensive review of the policy involving the Clerk, Chair of the Audit & Risk Committee and the Executive (Paper 1).

4. The Trust's approach to risk to remain at two levels – the Board Assurance Framework (BAF) and the Risk Register. No changes were proposed to the Board Assurance Framework following the annual review of the BAF conducted at the June meeting of the Audit & Risk Committee.

5. Key changes to the policy relating to the management of risk were noted as follows:

- Updating the section 'Approach to Risk Management' to be in line with 'Academies Trust Handbook' issued by the Education & Skills Funding Agency (ESFA), the ESFA good practice guides 'Internal Scrutiny' and 'Academy Trust Risk Management' and the document 'The Orange Book' issued by the Government.
- The Risk Register to include a new 'Risk Management Data Dashboard' to compare risk scores quantified with reference to a new assessment of risk appetite or tolerance, to identify any specific risks requiring urgent attention and reporting on at Board meetings. The key reporting method to be via the CEO's termly report to the Trust Board with the report providing the Board with progress updates against those risks identified to be outside the acceptable levels.

- The Risk Register and risk mitigation action plan documentation have been merged to better support maintenance of a suitable dashboard and risk register.
 - Introduce a 'very high' level to the risk scoring matrix to better differentiate the highest risks. Review frequency will no longer be driven by risk scores – instead all risks and mitigation actions are to be reviewed termly at Board meetings through presenting the Risk Register as a fixed agenda item, with CEO reporting in the CEO's report on any high or very high risks.
 - New format for the Risk Register. Against each risk, the Risk Register to summarise the cause, effect, mitigation actions, level of tolerance, and governance of the risk. Gross scores and scores post mitigation to be included with confirmation if the risk is inside or outside the acceptable level.
 - Risks in the Risk Register to be linked against the new strategic aims listed in the Strategic Plan 2022.
 - The CEO to present agenda items on risk management including the Risk Register at all meetings of the Trust Board and Audit & Risk Committee.
6. During a thorough review of the proposed policy, the following points were noted:
- Policy to include a definition of 'Tolerance' and guidance on how the tolerance limit is set.
 - To consider using a colour coding of risks after reference to tolerance levels - 'Green' – comfortable with the risk, mitigation actions and scoring; 'Yellow' – risk needs to be watched. The risk is not outside of agreed tolerance limits but needs to be kept under review; 'Red' – outside of acceptable limits and requires reporting on to the Board.
 - Introduce to the Risk Register tracking of the post mitigation score compared to the previous post mitigation score to be shown by arrows. Upward arrow to indicate when the post mitigation score has been increased; downward arrow to indicate when the post mitigation score has decreased. Equal sign to indicate no movement from the previous post-mitigation score.
 - Under the section 'Roles & Responsibilities', to add to the section on the responsibilities of the Board for the Risk Register to be the first formal agenda item, followed by the CEO report which will be used to report on those risks identified to be outside acceptable levels. Board meetings to conclude with reports on Board Assurance Assessments conducted at Board and Committee meetings and the Board to note any changes required to the Risk Register arising from the assessments.
 - To add a section to the policy on how the Trust Board can monitor the overall effectiveness of the Trust's system of internal controls.
 - On risk scoring, to ensure there is a difference between the gross score of the risk and the score post-mitigation. If the score is the same for both, this could give the indication of there being no impact on the implementation of controls.

7. It was **RESOLVED**, subject to the amendments proposed by the Audit & Risk Committee, for the Trust Board at its meeting on 20 September 2022 to be asked to approve the 'Risk Management Policy 2022/23'.

RISK REGISTER

8. The new format of the Risk Register was received for review (Paper 2) and was introduced by the Clerk. The Clerk explained that the risks from the Risk Register that were subject to review at the last meeting of the Audit & Risk Committee have been

transferred into the new format. The Risk Register has not been updated in terms of any review to add or remove risks or to change scores. This to be done by the CEO and Risk Champion following conclusion of student enrolments.

9. It was **AGREED** for the CEO and Risk Champion to review the Risk Register and to incorporate within the review the changes proposed and agreed at this meeting and, to make available at the November meeting of the Audit & Risk Committee, the updated Risk Register.

10. The Committee thanked those involved in the drafting of both the 'Risk Management Policy 2022/23' and the new format of the Risk Register.

ANY OTHER BUSINESS

11. There was no other business.

DATE OF NEXT MEETING

12. Tuesday 15 November 2022 @ 17.30.

The meeting closed at 18.30

Signed: _____ Date: _____
(Chair)

MIN REF	ACTION POINT	WHEN
9	The CEO and Risk Champion to review the Risk Register and to incorporate within the review the changes proposed and agreed at this meeting and, to make available at the November meeting of the Audit & Risk Committee, the updated Risk Register.	16/11/2022