



**AUDIT AND RISK COMMITTEE MEETING MINUTES  
WEDNESDAY 10 MARCH 2021 AT 11:30am  
VIRTUALLY VIA MSTEAMS**

**Committee members present**

Patrick Newberry	PN	Committee Chair
Tracey Hooper	TH	Governor
Jonathan Mashen	JM	Co-opted Committee member
Leon Sargent	LS	Co-opted Committee member
Anne Thomas	AT	Governor
Jane Warren	JW	Governor
Geoff Warring	GW	Governor

**In Attendance**

Wendy Randle	WR	Clerk to the Corporation
Adrian Ford	AF	Vice Principal Group Operations (VP GO)
Bob Harris	BH	Head of Estates
Lisa Pill	LP	Projects Development Manager
Graeme Sinclair	GS	Director of Finance
Adam George	AG	RSM (Internal Auditors)

		Action
1	<b>WELCOME, APOLOGIES AND DECLARATION OF INTERESTS</b> There were no apologies received and no further interests declared than those already contained on the members' register.	
2	<b>MINUTES AND MATTERS ARISING</b>	
2.1	<b>Minutes from the meeting on 30 November 2020</b> The minutes and confidential minutes of the meeting held on the 30 November 2020 were agreed to be a true and accurate record of the meeting. The Clerk to the Corporation would arrange for these to be signed by the Committee Chair.	WR
2.2	<b>Matters Arising</b> The matters arising report had been circulated prior to the meeting. It was noted that the Business Continuity review would be prepared by the end of May.	
3	<b>HEALTH AND SAFETY (H&amp;S)</b>	
3.1	<b>Update</b> The Vice Principal Group Operations and Estates Manager presented an update on the progress in H&S, the improved communication and the culture change underway within the College. Future areas of development included the standardisation of H&S reporting and KPIs, training	



4.3	<p>appetite agreeing that this would be timely.</p> <p><b>FE Benchmarking programme</b> RSM were invited to present on the above document circulated prior to the meeting. The annual opinion comparator indicated the College fell within the same category of 82% of their peers. The College aims to move into the top category with 10% of peers, noting that the assurance framework due to be considered at the June meeting, would support achieving this position.</p>	
5 5.1  5.2	<p><b>ADDITIONAL AUDIT REPORTS</b></p> <p><b>Local Authority Safeguarding 157/175 Audit report</b> Search and Governance had requested this Committee consider the feedback from the LA safeguarding audit reports. Feedback has not yet been received from either local authority. The Committee agreed that going forward these reports would be shared with the Safeguarding Lead Governor and reported in the annual Safeguarding report, with any issues raised with and considered by this Committee.</p> <p><b>Developing Leaders report</b> Circulated prior to the meeting, it was noted that this report was related to EU funding received to deliver leadership and management training to small SMEs. The College received a clean audit report resulting in no financial clawback; in response to a Committee member question, there were no lessons to be learned from the report.</p> <p>The Committee were keen to explore what would happen to this project when the EU funding stops due to Brexit. The details were not yet clear, however it was anticipated that the EU funded projects could be included in existing funding streams.</p>	WR
6	<p><b>LESSON LEARNED</b></p> <p><b>Internal Controls and Project Management of Future Farm</b> A report had been circulated prior to the meeting highlighting the lessons learned from the review of the project management of Future Farm. The Committee reviewed the key recommendations, specifically those linked to governance, whereby it was noted there had not been sufficient reporting, oversight and full Board communication. Going forward a working party would be introduced for key projects; a small group of Governors have met to consider the terms of reference should this be a future requirement.</p> <p>The Committee reflected on the need to develop progress reporting of the College's project portfolio to the Board. The use of one page Insight reports to communicate progress both internally and to Board was supported by the Committee.</p> <p>The Committee reflected on the College being clear on the need for a project rather than applying for funding and delivering a project that does not meet a specific need or align with the strategic intent; for example a clear strategy for Bicton and Duchy. The Committee proposed using a Board development session to consider the alignment of projects with the strategic intent, along with a risk appetite discussion.</p>	WR/PN
7 7.1	<p><b>STANDING AGENDA ITEMS</b></p> <p><b>Rolling review of High and Medium Audit recommendations from previous Audits</b> Circulated prior to the meeting the report indicated that there were ten items outstanding, six of which would be cleared by the end of May and four by the end of July. The seven advisory items from the GDPR report would be completed by the end of May; the College were in a good position.</p> <p>A Committee member reflected on the recent Special Board meeting which had highlighted the</p>	

	importance of the Business Continuity plan. The Committee noted this item had been delayed and appreciated the mitigating factors yet considered this a priority for the next meeting.	AF
7.2	<p><b>Review of Risk Register and Executive Leadership Team risk management discussions.</b></p> <p>The risk register had been circulated prior to the meeting, it was noted that new risks had been added to the bottom of the report; these will be incorporated into the strategic aims going forward. A Committee member noted the report required revision to include Data Breach as a new risk. The Committee reflected on the quality of the report noting it provided a good example of the types of information that the Board and Committee should be receiving.</p> <p>Further highlights included:</p> <ul style="list-style-type: none"> <li>▪ A Committee member enquired as to whether the College should be considering other ISO standard awards for other areas, such as H&amp;S, noting the linkages between areas.</li> <li>▪ The Committee revisited the discussion around risk appetite noting that once defined, a further column for 'targeted risk' could be built into the template.</li> <li>▪ A Committee member suggested the addition of H&amp;S on the risk register.</li> </ul>	AF
7.3	<p><b>Additional services provided by auditors</b></p> <p>Nothing to report.</p>	
7.4	<p><b>Whistleblowing</b></p> <p>The Clerk to the Corporation reported that there had not been any disclosures since the last meeting and none were ongoing.</p>	AF
8	<p><b>PERFORMANCE REVIEW AND RECOMMENDATION FOR REAPPOINTMENT</b></p> <p>AG from RSM left the meeting.</p> <p>A report had been circulated prior to the meeting highlighting that the contracts for both the internal and external auditors were due to end this year.</p>	
8.1	<p><b>External Auditors 2020/2021</b></p> <p>It was reported that PwC had advised that they would be increasing costs significantly across the sector. The College were preparing a tender and would like to open this up to include local and regional firms with educational experience. The Committee were keen to explore alternative provision, noting that LS and JM would be able to support the College with local suppliers. The Committee would be asked to meet with the potential suppliers.</p>	GS AF/PN
8.2	<p><b>Internal Auditors 2021/2022</b></p> <p>The Committee noted the need to ensure relationships do not become too comfortable with the Internal auditors, yet supported the proposal to extend the RSM contract for a further year for continuity. This proposal will be recommended to Board for approval. A Committee member reflected on the previous Internal Auditors tender and the companies who had offered something different.</p> <p>The Committee requested the Assurance framework be a priority for the June meeting.</p>	WR GS
	<p><b>PRIVATE SESSION WITH THE AUDITORS</b></p> <p>Detail contained in the confidential minutes.</p>	
9	<p><b>DATES AND ADDITIONAL DATES OF NEXT MEETINGS</b></p> <p>23 June 2021, 11am</p>	