

**Governing Body**  
**AUDIT AND RISK MANAGEMENT COMMITTEE**

**Minutes of the meeting held at 6.05pm on 22 June 2020**

**Present:** J Gazzard (Chair) J Wakelam  
A Maltpress

**In Attendance:** S Jones, Vice Principal Finance and Resources  
J Raffel, Group Director Finance  
S Graham, Group Director Human Resources  
T Elkin, Clerk  
C Sutherland, RSM (part)  
P Goddard, Scrutton Bland (part)

No interests relevant to items on the agenda were declared by members.

**1 Apologies for absence**

Apologies for absence were received from H Nydam and N Roberts.

**2 Minutes of the meeting held on 10 February 2020**

The minutes of the meeting were agreed as a correct record.

**3 Matters Arising from the meeting held on 10 February 2020**

The matters arising from the meeting were summarised in the report and all actions reported had been completed or, where appropriate an update had been provided on progress elsewhere on the agenda.

**4 Membership**

**i. Renewal of co-opted membership:**

It was proposed that both NRoberts and HNydam be re-elected. This decision was provisional, and they will be asked if they wish to continue. It was noted that it was the second meeting that neither have attended.

**5 Internal Audit Recommendation Tracking Report**

The report was accepted. PGoddard confirmed that he is 'comfortable' with the progress being made.

**6 Internal Audit Reports**

**i. Human Resources**

PGoddard provided a summary: there has been significant change and considered SCR, recruitment and training. PGoddard noted the Action Plan, as there are medium risk recommendations. Highlighted the appraisal process and its challenges but the level of exceptions was higher than normally seen. AMaltpress noted that Spotlight has been queried before, meetings are taking place but not all are being recorded therefore recommended that it becomes a red risk. SGraham explained the process and that 1:1's aren't always turned into Spotlights. Its hoped that 67% of staff that have had Spotlights will increase. JWakelam shared AMaltpress's concern and requested that this be monitored.

**ii. Learner Records – Funding Assurance**

PGoddard highlighted that the apprentice audit was reviewed at the last meeting – the right evidence is required to ensure that the current funding is being claimed. There is now consistently stronger best practice. Only one low risk recommendation. "Well done" was expressed to staff.

**iii. Estates Management, Health and Safety**

PGoddard advised that this was the first lockdown audit. Expressed gratitude for help from the Senior Executive Team. There have been some significant and regular changes, all positive news.

**Action**

Clerk

SGraham

AMaltpress highlighted that there have been some staff management issues historically, but the new HR team will now get on with the job, therefore happy with this audit but will continue a push on the H& S audit.

**7 Internal Audit Progress Report**

The plan is complete.

**8 2019/20 Draft Audit Plan**

**i. Emerging Risks in FE**

CSutherland highlighted the key points and the changes for this year. An enhanced risk is due to Covid-19.

On-going concern – there will need to be enhanced disclosures in the financial statements. The ESFA will address Covid-19 and risk, guidance for management and will circulate to SJones and the team.

There was an explanation for the increase in fees – due to new audit requirements for the Office for Students.

JWakelam challenge the fee and would have expected extra costs to be estimated? CSutherland explained that its dependent upon the quality of information provided by management and the support that RSM will have to deliver. Confident that SJones and his team will not need any further support above the standard.

The emerging Issues document has been circulated.

JGazzard asked if there was anything on IoT? SJones confirmed that he was not aware of any developments.

**9 Indicative Internal Audit Needs Assessment for 2020/21**

PGoddard will meet further with SJones and JRaffel if required in the summer term or early September, to be able to share a full plan to the next committee. JGazzard advised that the plan needs to review continued waves of Covid-19, this was agreed. Committee members could submit other contributions and ideas by email.

JGazzard thanked CSutherland and PGoddard for their contributions.

*CSutherland left the meeting at 6.45pm*

**10 GDPR Compliance Progress Report**

SGraham is now the Data Protection Lead. There are only 4 outstanding actions, but some cannot be completed due to the lockdown. SGraham outlined actions such as the issue of the pocket guide to GDPR. NKhanna (Data Protection Officer) will review Data Protection clauses in policies to ensure that they are accurate and to ensure that data is protected, by colleagues working offsite.

JWakelam questioned whether colleagues working from home are using their own machines or those provided by the college? Where possible its undertaken on college equipment – there is a register of equipment. JWakelam expressed concern over the GDPR implication of those using their own equipment – this will be addressed by NKhanna reviewing policies to ensure that this is covered.

PGoddard asked if there is guidance to printing, how is this held secure? Advised members to think about this. Some institutions have simulated a phishing attempt as colleagues are vulnerable and technology is working slightly differently. SGraham confirmed that he was not aware of any issues, SJones noted that the profile has remained high and is reinforcing throughout the Trust. Agreed that a mock attack may be a good idea.

N Khanna

SGraham advised that large scale print runs have been undertaken by office staff. Post is also being checked to ensure that no breaches take place. Advised that all his work is done through the private network and assumes that all staff will have been taken through this process.

**11 Risk Management Update**

The report was accepted by the Committee.

**12 Risk Management Procedure Review**

SJones advised that it needs to be changed and proposed that the changes are approved – largely terminology changes – these were approved by the committee.

PGoddard highlighted ‘risk appetite’. In the February audit it recommended that there needs to be a clear understanding of the difference between views and risks, “Be clear on the risk appetite you take for different types of risk”

*Note: PGoddard left the meeting at 7.01pm*

**13 External and Internal Audit Services - Confidential**

**To recommend the appointments of internal and external auditors**

The committee recommended the appointments. Proposed that RSM to be contracted as external auditors for 2020/2021. JWakelam proposed and AMaltpress seconded and it was duly agreed.

S Jones

Internal audit services - Scrutton Bland was recommended for 2020/21. JWakelam proposed and AMaltpress seconded this will be taken forward to the Corporation for approval.

S Jones

**14 Any Other Business**

SJones highlighted that market testing would be considered after the RSM appointment, therefore assume they will conduct the audit in 2021 to review to 2019/20 data.

In the spring next year, the tender process will be carried out to determine who would audit 2020/2021. Will be reviewed at October meeting.

S Jones

**Date of next meeting**

Monday 5 October 2020 at 5.00pm.

The meeting closed at 7.05pm