

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

**Minutes of the virtual meeting held at 6.47pm on 23 November 2020**

**Present:** J Gazzard (Chair) J Wakelam  
N Roberts, (Co-opted) A Maltpress

**In Attendance:** S Jones, Vice Principal Finance and Resources  
S Graham, Group Director of HR  
R Stevenson, Group Operations Director (part)  
J Raffel, Group Director Finance  
P Ewan, Head of Finance at WSC  
P Goddard, Scrutton Bland  
S Hart, WSC Health and Safety Manager (part)  
C Sutherland, RSM Auditors (part)  
T Elkin, Clerk

**Apologies:** There were no apologies

**Absent:** H Nydam (Co-opted)

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

1. **Apologies for absence**

There were no apologies for absence. It was noted that HNydam was absent.

2. **Minutes of the meeting held on 5 October 2020**

The minutes were **agreed** as an accurate account of the meeting.

SJones noted a correction: Page 4, item 12, SJones, in relation to a discussion with PGoddard and agreed to 'consider' not 'action'. This amendment was agreed.

There was a typo, correct spelling of 'severe'.

Item 8 – second paragraph should it be green risks and not red risks? This was agreed.

3. **Matters Arising of the meeting held on 5 October 2020**

All actions are complete.

It was noted that PGoddard provided feedback to the committee Terms of Reference (See Appendix 1) and provided a copy of the latest Code of Practice (See Appendix 2)

4. **2019/20 Committee Annual Report**  
**Health and Safety**

It was noted that there were some risks recorded. AMaltpress noted that there needs to be a consideration of how Steve Hart is performing in his role. SHart was consequently welcomed to the meeting and it was advised that he will soon have been in post for a year.

SHart provided a Health & Safety Summary from the report shared with governors. A key factor is that eLearning for new starters ensures compliance.

AMaltpress asked, how have you coped with Covid-19? SHart advised that there was a lot of work behind the scenes. Risk Assessment was the basis for all work. Actions move forward all the time, i.e. Track and Trace has helped.

**Action**

SGraham added, the induction across the college for all new staff is being updated and Health & Safety is an integral part of this. The Cylex training is tailored around own internal policies and procedures and is specific to the college.

JWakelam asked what the thermal cameras were doing? They are taking temperatures and are alerting if the person has a high temperature. SHart explained the procedure. RStevenson explained that the camera is part of the 'defence' plus there are one-way systems and sanitisation – it is a multi-layered approach.

RStevenson outlined the online training further for governors. SHart has achieved much during his first year, have tried to get Estates and Health & Safety to work closely together to address short-term issues in particular. SHart and one part-time person have covered all sites.

Governors agreed that this is impressive, the Board should be re-assured. RStevenson advised that its more challenging whilst staff and students are back on site, keeping mitigation rolling and keeping paperwork up to date, its time and resource challenging.

Helen Ponder and Deanna Cooke as WSC colleagues also supported Health & Safety. JGazzard thanked colleagues for their time.

Note: at 7.10pm SHart and RStevenson left the meeting.

5. **Audited Accounts for the year ended 31 July 2020**

Information was circulated to support the audit findings report. JWakelam noted a typo in her name and it was agreed to amend this.

P Ewan

6. **Draft Audit Findings Report**

CSutherland provided an overview of the report. Funding audits would normally be completed by the end of November, but the deadline has been pushed back and is in line with the financial statement side. The funding audit has however been carried out.

Devolved authority funding – the ESFA announced that there would be no clawback but before lockdown, WSC was allocated additional income and this has been deferred in the accounts. Management assured RSM that the funding would be clawed back if the college could not demonstrate that they could not deliver on the expectations of this funding. There is no evidence at the year-end date that the money would be clawed back. CSutherland still researching further and would like further clarity but WSC is maintaining that the income is subject to clawback if unused.

SJones added that with the main allocation there should be no clawback – the £200k was an extra amount which would be clawed back. SJones is in no doubt that the money is the college's money if it can deliver, otherwise it will be clawed back.

Teachers' pension audit – there were some minor findings.

Requesting a representation re: whether ECG is dormant? JRaffel noted that ECG dormant accounts have been filed at Companies House. CSutherland agreed to amend the letter of representation.

C Sutherland

CSutherland advised, it is the responsibility of the members of the committee to prevent fraud and have discussed this with management. How have you perceived any additional risks as a result of remote working and are there measures in place to detect fraud? NRoberts questioned, is there anything in place to cover this issue? PGoddard advised there is not a practice in place to detect fraud, we have investigated issues, and these have been responded to. There is a lot of internal audit work that would flag these concerns. CSutherland noted the purchasing cycle is online but there is not a week in lockdown when she has not heard about fraud amongst her other clients. Its more about susceptibility to fraud from the outside, especially due to remote working. JGazzard welcomed this advice and it will be noted.

JGazzard asked, are we covering all bases with new starters in the lockdown? SGraham explained the two issues further and can guarantee that all starters in the last 12 months have a contract in place, safeguarding checks have taken place. Single Central Record checks and DBS checks as well as references have all been done.

NRoberts noted that in the last few years, the accounts have been audited and presented, but the pension scheme liability has increased every year and the net assets have reduced, with another year of similar additional costs, would the liability for WSC be an area of concern? CSutherland confirmed, yes, it is a concern. There has been a stark increase this year, from a WSC perspective, your cash contributions and the increases there, it is a sector wide issue. There is a lot of movement around pensions in the education sector. It is a concern.

SJones added context – it is an issue facing the FE sector. There is an impact on loan covenants, but this would not be a risk at WSC because the bank has agreed to discount the effects of pension adjustments caused by FRS102 requirements.

AMaltpress enquired, have we considered employing staff outside the pension systems – SJones clarified that as an FE college we are obliged to offer these schemes. Could offer it via a separate company but staff would have to be TUPED into this. SJones explained this further. SGraham added that WSC would have to get Admitted Body Status to run two different schemes, but it's possible.

The committee **agreed** to recommend the Audit Findings Report to the Corporation Board. JGazzard should approve the final draft on behalf of the committee. JWakelam purposed and AMaltpress seconded the decision to commend the report.

J Gazzard

Thanks were expressed to CSutherland for her summary.

CSutherland thanked PEwan and her team and SJones for delivery audit evidence whilst working remotely, to make it go as smoothly as possible.

**7. 2020/21 Internal Audit Programme**

PGoddard presented the report. The findings will be brought to the next meeting: 8<sup>th</sup> February 2021. The Clerk to add to the next agenda.

P Goddard  
T Elkin

The High Needs Learning report was requested from Suffolk County Council. It has been advised that there will not be a report and SJones and PGoddard discussed what was possible therefore and agreed to do a piece of work on high needs learning and feedback to the committee. The committee agreed to a brief review.

S Jones  
P Goddard

**Annual audit report**

SJones confirmed that he has taken on this responsibly – it is up to date and reflects the work of the auditors and shows how risk is monitored. AMaltpress proposed and JWakelam seconded the acceptance of the report. The committee commended the report to the Corporation Board.

PGoddard noted the Terms of Reference, there are some anomalies i.e. reference to Trusts and opinions and this needs to be addressed. This was agreed. The amends to the Terms of Reference will be referred to S Gales.

S Gales

Note at 7.47pm CSutherland left the meeting

**8. Internal Audit Recommendation Tracking Report**

SJones noted that there was nothing further to add to the report.

**9. Risk Management Update**

JRaffel noted that the update reflects a review of the contents of the Risk Register. No risks have been added or removed. There are no significant changes to the Heat Map or changes to the Board Assurance map.

JGazzard questioned the HE recruitment budget looking through the HE curriculum review, we will have to be careful about University provision, but it is concerning that benchmark targets were not hit. It was agreed to review at the February committee meeting. The Clerk to add to the agenda.

T Elkin

JWakelam enquired, do we need to have a Brexit risk? We won't get European grants in the future, should this be highlighted? It was agreed to review in the February committee meeting. The Clerk to add to the agenda. SJones will bring a paper to the next meeting to show the impact. Costs will also fall away when grants eventually cease.

T Elkin  
S Jones

The committee noted consistency in numbering of papers. The Clerk agreed to address.

T Elkin

SJones noted that having conducted a review over the summer, some changes were made to risk management and the report captures the discussion at the October meeting. The real change is the move away from trying to capture risk appetite. There will be a risk appetite statement which will go to the Corporation for review as part of the Risk Policy.

SJones noted that if there will no longer be a board assurance map, this will strengthen the risk register more, to create different dimensions of assurance. Work will be graded internally to show that it has been subject to internal audit work. This will reflect the approach.

PGoddard added that the funding audit is being carried out and he would therefore be an advocate of identifying independent assurance. AMaltpress expressed his preference for reflecting the approach of the SAT Trust. It was agreed that where it is sensible, WSC should be aligned, committee members were in agreement.

The committee agreed to recommend the paper to the Corporation Board, subject to agreed alternations. SJones to provide a revised document for circulation. SJones will write a report for the Corporation. In addition to the changes it was requested that an additional column be added to the risk register to record additional validation.

S Jones

**10. Review of Risk Management**

This was reviewed in agenda item 9.

**11. GDPR Update**

SGraham provided an update. There are only two actions remaining. Re: storage of college materials - there are crates that need to be identified and split by departments and to supervise a data cleanse. Will consider making the records digital.

SGraham noted that Deanna Cooke has done a great job.

Staff have conducted the GDPR training – if any governors have not completed this, they will receive a reminder to ask you to refresh. Volunteers are also asked to do this as they appear on the Single Central Register. There were three data breaches which have been dealt with satisfactorily.

Recordings of Teams meetings: the college is close to a solution, instead of all recording being in one storage point there will be a facility to record a meeting and save to the One Drive. The Head of IT has confirmed that this is imminent. Curriculum teams can now start to record curriculum sessions again.

**12. Any Other Business**

A start time of 3.30pm was agreed for the next meeting. As the meeting follows the SAT Committee meeting, WSC tend to have a late start and this is tiring for staff members.

Date of next meeting:

- Monday 8 February 2021 6.30pm.

The meeting closed at 8.06pm

