

EXETER COLLEGE FURTHER EDUCATION CORPORATION

AUDIT AND RISK ASSURANCE COMMITTEE

Minutes of the meeting held on Monday 14 September 2020 via Zoom

Present	Sarah Brampton	Chair
	Dave Underwood	Vice Chair
	Jo Matthews	
	Neil Hitchings	

In Attendance

<i>For item 2 only</i>	David Allen	Chair of the Corporation
<i>For item 2 only</i>	Bindu Arjoon	Vice Chair of the Corporation
<i>For item 2 only</i>	Tim Quine	Governor
<i>For item 2 only</i>	Sonja Longmore	Governor
	John Laramy	Principal/CEO
<i>For item 2 only</i>	Rob Bosworth	Deputy Principal/CEO
	Richard Church	Chief Financial Officer
<i>For item 6 only</i>	Toby Coombes	Director of Finance, Funding and MIS
<i>To item 6 only</i>	Roy Plowman	Tiaa
	Alison Layton-Hill	Clerk to the Corporation

Apologies	None
------------------	------

1. Welcome, Apologies and Declarations of Interest Action

The Chair welcomed colleagues to the meeting and extended a particular welcome to Richard Church and Roy Plowman. The Chair also welcomed those governors who were attending for the Deep Dive item.

There were no apologies or declarations of interest received.

It was noted that this would be Dave Underwood’s final Audit and Risk Assurance Committee meeting and on behalf of the Committee, the Chair thanked him for his highly valued contribution. She extended her particular thanks for his excellent support to her in his role as Committee Vice Chair.

2. Deep Dive

- 2.1 Risk Register with a focus on Travel and Covid-19 preparation
 The Committee received a deep dive presentation from the Principal/CEO and the Deputy Principal/CEO outlining how the College is mitigating risks associated with Covid-19 preparation and travel.

The Committee noted that the stabilise, mobilise and normalise strategy had been a success and the College had been able to follow the DfE's request to open fully and normally. It was acknowledged that the College is managing differing views, however generally students are positive about face to face delivery.

The Committee was advised of the mitigations that the College had put in place to minimise the risk in terms of:

- the workforce
- the workplace
- teaching and learning
- safety and wellbeing

A new Covid Operations Group had been formed, which meets daily, with the remit to identify cases and potential outbreaks, agree procedures, communication and to implement necessary changes to minimise the risk. This group will allow the senior leadership team capacity to focus on the core business of the College.

Governors asked how the College is communicating to students in terms of their behaviour and attitude, to minimise the risk to others, when out in the community. It was advised that all students had viewed a video explaining the College's expectations. The College is able to text reminder messages to all students, as well as to specific groups, for example those who use public transport. The students' Personal Development Plans are also being used as a vehicle to educate students and has a focus on community impact. The College is also working closely with parents through the parent portal.

The Chair of the Corporation echoed the Committee Chair's thanks to Dave Underwood and also thanked all College staff for the huge amount of work they have put in to enable the College to re-open. He noted that the senior leadership team are very visible at College which gives assurance to staff and students.

He questioned the role of governors and asked at what point would the Executive refer to governors for advice or decision making. He noted that governors are pleased that the College is open, however it is essential to remain cautious and a protocol for communication with the Board should be developed. The Board was reassured that if the risk increases and the College needs to take significant action, governors would be fully engaged in those decisions. It was also noted that the Chair of the Corporation and the Principal/CEO discuss the situation regularly.

SLT

The Committee sought clarification in terms of any changes to assessment practice. The College is currently assessing the level students are working at and the catch-up funding is being used to support those that have fallen behind. It was noted that although classrooms feel safe, the physical layout pedagogically is not the most effective and the College is researching how to promote the best teaching and learning. There are situations where staff are

required to self-isolate which impacts face to face teaching and therefore the College is setting out minimum expectations of the level of teaching learners will receive. The expectation is that future exams will take place.

It was noted that between 3,500 and 4,000 students are attending city centre College premises at any one time and, along with university students, this will have a marked impact on the city. It was agreed that all partners should collaborate to reinforce the message to students on how to behave when off site for the safety and security of the wider Exeter community.

The Committee noted that the College had been working with Devon County Council and transport operating partners to provide additional buses, dedicated to College students, to minimise the need for students to use public transport.

The Committee was reassured that the risk is being managed appropriately. It was noted that the situation may change over the months ahead and the Committee will continue to seek reassurance.

Clerk

The Committee recommended the Risk Register to the Board on 9 October 2020

David Allen, Bindu Arjoon, Tim Quine, Sonja Longmore and Rob Bosworth left the meeting.

3. Minutes

- 3.1 The minutes of the meeting held on 15 June 2020, as circulated, were agreed as an accurate record of the meeting.

4. Matters arising

- 4.1 Ratification of Committee Membership
To support its independence, the Audit and Risk Assurance Committee membership is not determined by the Board and therefore the Committee approves its own membership.

The Committee approved its membership

- 4.2 Committee self-assessment update
The Committee reviewed the narrative prepared by the Clerk following the self-assessment discussion at the previous meeting. The Clerk confirmed that the Committee QIP would form part of a wider Governance QIP that will feed into the Board via the Search and Governance Committee.

The Committee agreed the narrative and the proposed QIP

Clerk

5. Policies

- 5.1 Information Security Policy
The Committee received and considered the updated Information Security policy.

It was suggested that the policy could potentially include further clarity about the College's requirements of providers. The Chief Financial Officer to give this some consideration and discuss with the procurement team. It was also noted that cyber awareness training should be an ongoing process and not only a requirement for new staff.

The Committee agreed to:

- a) approved the Information Security Policy
- b) Receive additional clarity in terms of the requirement of providers

**Clerk
RC**

6. **Internal Audit Service**

- 6.1 Internal Audit Service Annual Report 2019/2020

The report was received and the Committee noted that all four of the internal audits undertaken had resulted in substantial assurance. It was noted that there was effective risk management and control throughout the college in the areas audited.

The Committee questioned why some reviews had been cancelled at the request of management. It was explained that the College was keen to use the resource where it was going to have the most impact, as opposed to resulting in low level operational recommendations.

The Committee recommended the Internal Audit Service Annual Report for 2019/2020 to the Board for approval at its meeting on 9 October 2020.

Clerk

6.2 Project Reports

6.2.1 – Key Financial Controls

The Committee was reassured that the key financial controls within the college are providing substantial assurance.

6.2.2 – Governance – Financial Planning

The Committee was reassured that Governance – Financial Planning within the college is providing substantial assurance.

The Committee challenged the value of the reviews considering the lack of recommendations. The Director of Finance, Funding and MIS reassured the Committee that recommendations would not have been expected in the areas of these specific reviews as the College is confident in its operating procedures.

It was suggested that the audit into Key Financial Controls could potentially be widened to include the payroll function. The Chief Financial Officer to

agree the scope for future audits to provide further reassurance to governors.

The Committee agreed:

a) to note the project reports

b) that the Chief Financial Officer will agree the scope for future audits to provide further reassurance to governors

RC

6.3 Progress Report

The report detailing outstanding internal audit recommendations was received. The Committee noted that many of the recommendations had been implemented and completed since the previous meeting. The three remaining recommendations will be completed by the end of December 2020.

The Committee agreed to:

a) note the report

b) request a progress update from the Director of Finance, Funding and MIS at the next meeting

TC

6.4 Internal Audit Programme for 2020/2021

The report was received which highlighted the scope of the internal audit service for 2020/2021. It was agreed that the programme needs to add value and be flexible to meet the changing risks. The programme allowed for nine contingency days to allow it to be responsive.

The Committee suggested that as cyber security is a high risk, there could be the potential to undertake an audit to cover this area. It was however noted that this team is required to undertake a major IT development and infrastructure upgrade over the next six months and capacity will be stretched.

The Committee questioned the balance between risks associated with Covid-19 and risks in terms of moving the College forward. The Committee raised that considering the level of risk within Education, it may be necessary to increase the number of audit days in the plan. The Committee requested benchmarking information against the scope that other Colleges adopt. The Chief Financial Officer to produce a best value audit programme

The Committee agreed:

a) to recommend the proposed programme for 2020/2021 to the Board for approval at its meeting on 9 October 2020

b) to receive a best value audit programme including benchmarking data, emerging priorities and to ensure that business as usual risks are supported as well as those associated with Covid-19

RC

c) that audits are undertaken remotely for the time being

7. **Sub-contracting Audit/Certificate of Assurance**

7.1 The Committee received the certificate of assurance, countersigned by Bishop Fleming, providing external assurance on sub-contracting controls.

The Committee agreed:

- a) to note the certificate of assurance**
- b) to receive the full audit report**

Clerk

8. **Audit Code of Practice 2019/2020**

The Committee received the updated Audit Code of Practice (July 2020) and noted the amendments. The Committee also noted the supplementary bulletin which identified a number of additional requirements relating to Covid-19.

The Committee agreed to recommend the adoption of the updated Audit Code of Practice to the Board on 9 October 2020

Clerk

9. **Emerging Risks**

The Committee considered that although risk around Covid-19 appears to be secure, this risk should be re-visited by the Committee at the next meeting. It was considered advisable to retain a focus on the impact of Covid-19, both regionally and nationally, to ensure that governors are supporting the senior leadership team.

The Committee also suggested a need for longer term scenario planning and to review existing College strategies, as changes that are being put in place due to Covid-19 could be long term. It may be beneficial to reflect whether College strategies remain fit for purpose to support the College's investment strategy.

SLT

It was noted that some out of date references relating to risks 16, 44 and 45 require updating.

RB

The Committee agreed to receive a further update on the Covid-19 risk at the next meeting

RB

10. **Future Meetings**

10.1 Items to take to Board

The Committee agreed to take the following items to the Board:

- Risk Register
- IAS Annual Report 2019/2020
- Internal audit programme for 2020/2021
- Audit Code of Practice and supplementary bulletin

10.2 Items for next meeting

The Committee reviewed and agreed the cycle of business for the next meeting.

- 10.3. Dates of Future Meetings
- Monday 16 November 2020
 - Monday 15 March 2021
 - Monday 7 June 2021

11. **Items for Information**

- 11.1 Anti-Fraud Register
11.2 Committee Terms of Reference

The meeting was quorate throughout and ended at 18.50.

Signed by the Chair



Date: 16 November 2020