

EXETER COLLEGE FURTHER EDUCATION CORPORATION

AUDIT AND RISK ASSURANCE COMMITTEE

Minutes of the meeting held on Monday 10 June 2024 via Zoom

Present	Neil Hitchings	Chair
	Rob Hutchins	Vice Chair
	Adele Westcott	Co-opted
	Damion Norcombe	Governor

In Attendance

	Rob Bosworth	Deputy CEO
	John Dowell	Executive Director of Finance
<i>For item 2 only</i>	Jade Otty	Vice Principal
	Katy Gaulton	Head of Marketing
<i>To item 8 only</i>	Lesley Heasman	Tiaa, Internal Auditor
<i>To Item 9 only</i>	Nathan Coughlan	Bishop Fleming
	Lindsay Skinner	Governor
	Patrick Tigwell	Governor
	Alison Layton-Hill	Head of Governance
<i>Minutes</i>	January Roberts	Compliance and Governance Officer

Apologies None

1. **Welcome, Apologies and Declarations of Interest** **Action**
 The Chair welcomed colleagues to the meeting and extended a particular welcome Damion Norcombe, this being his first Audit and Risk Assurance Committee meeting since joining the Board.

 The Chair also welcomed Lesley Heasman from TIAA and Nathan Coughlin from Bishop Fleming. The Chair welcomed Lindsay Skinner and Patrick Tigwell who were in attendance for item 2 only.

 Although the Principal/CEO usually attends in an advisory capacity, he had given apologies and the Chair thanked Rob Bosworth for deputising.

 There were no other apologies or declarations of interest received.
2. **Deep Dive**
- 2.1 R2.74 – Failure to recruit 16-18 learners for 2024/2025.
 The Committee received a presentation of assurance related to the risk of failure to recruit 16-18 learners for 2024/2025. It was highlighted that the risk now focused on over subscription and that there is a need

to be mindful of recruiting the right number. The Vice Principal explained that plans and processes were in place to monitor this risk and that she was chairing a recruitment meeting and tracking applications and attributions weekly. The lag funding model, with no guarantee of any in year funding, could result in financial pressure to teach unfunded learners. Space is an ongoing concern, however the Vice Principal provided assurance around how the College is using the space available and outlined plans to source additional space where required.

The Committee thanked the Vice Principal and agreed that the risks were appropriately mitigated

2.2 R2.13 Adverse publicity and reputational damage

The Committee received the presentation from both the Head of Marketing and Vice Principal who provided a detailed overview of potential risk factors and mitigations.

The Committee questioned whether the medium risk rating could be lowered. It was discussed and agreed that it would be difficult to lower the risk given the current climate and size of college.

The Committee thanked the Vice Principal and Head of Marketing

3. **Minutes**

3.1 The minutes of the meeting held on 26th February 2024, as circulated, were agreed by the Committee.

3.2 The confidential minutes of the meeting held on 26th February 2024, as circulated, were agreed by the Committee.

4. **Matters Arising**

4.1 Committee Membership 2024/2025

To support the independence of the Committee, it is for the committee itself to approve its membership.

The Committee agreed its membership for the academic year 2024/2025

5. **Risk Management Update**

5.1 Risk Register

The Committee received and considered the updated risk register, which had been reviewed by the Senior Leadership Team. The Executive Director of Finance explained the risk process and highlighted those risks that had been removed, added or amended. The risk register had remained relatively static, with minimal changes since the last committee meeting.

There had been a slight increase in the safeguarding risk, however additional successful mitigations were likely to result in the risk score being reduced in the autumn term.

Governors expressed concerned that the risk related to fraud had been reduced. The Internal and External auditors both provided additional assurance suggesting that there could be a consideration to increase the inherent risk score but that the current level was adequate. The Committee confirmed it was comfortable with the risk score as it is.

The Committee questioned whether the College had considered the recent events regarding water safety and whether a brief update could be brought to the next meeting. It was suggested this could feed into the business continuity deep dive at the next meeting.

JD

The Committee voted to recommend the risk register to the Board on 5th July 2024

HofG

6. **Assurance Map**

The Executive Director of Finance gave an overview of the draft Assurance Map.

The Committee noted the IT risk and felt that the map captured a higher-level of assurance than had been previously available.

The Committee also enquired whether the assurance map was useful to senior management. The Executive Director of Finance advised that the focus is still more on the risk register, but the map process had been useful to reaffirm why and where the College might need more assurance. It was also added that this could be a useful tool to plan future internal audits.

The Committee questioned whether the assurance map would be shared with the Board. It was confirmed that there was no intention currently to share with the Board, however this could be further explored.

HoG

The Committee noted the discussion

7. **Internal Audit Service (IAS)**

7.1

Project reports:

- Apprenticeships
- Learner numbers
- Key financial controls
- Safeguarding

The Committee received the reports and noted that both learner numbers and key financial controls had resulted in substantial assurance with no urgent or important recommendations. The IAS advised that there had not been sufficient time for management

comments to be included but were confident this would not change the result of the reports.

The Chair noted the discussion and thanked Exeter College management for the exceptional work carried out in these departments.

The Committee noted the reports

- 7.2 Progress reports:
- Estates Planning Management (Oral report only)
- The internal auditor gave an oral update to the Committee and the Committee agreed to receive the report to its next meeting.

The Committee noted the oral report

- 7.3 2023/2024 Program review
- The Committee reviewed the current year's programme and noted outstanding work to be completed. The Committee was pleased to note that all recommendations were soon to be resolved and could be removed from the list.

The Committee noted the report

- 7.4 2024/2025 Programme proposal
- The Committee received the proposed internal audit service programme for 2024-2025.

The Committee questioned the timing of the IT Cyber Audit. As the College will be going ahead with Cyber Essentials, the committee felt that an audit after certification would be more beneficial.

The Committee agreed to recommend the plan to the Board on 5 July 2024 subject to points discussed in this meeting. HofG

8. **Post 16 Audit Code of Practice**
- The Committee received the report and noted the amendments to the Audit Code of Practice (April 2024).

The Committee agreed to recommend the adoption of the updated Audit Code of Practice to the Board on 5 July 2024 HofG

The Committee noted the report

Lesley Heasman left the meeting

9. **Financial Statements Audit Plan for year ending 31 July 2024**
 The External Auditor set out the scope of work for the financial statements audit plan for 2023/2024, confirming that an audit opinion would be given to cover the College and the trading subsidiary.
- The Committee sought assurance related to procurement approaches. **JD**
- The Committee questioned how the College would evidence its compliance with the newly published financial handbook and requested an update to the next meeting. It was noted that additional guidance is awaited from the ESFA concerning some of the changes. **JD**
- Part of this item was dealt with as a confidential item and recorded in the confidential minutes.
- The Committee agreed to recommend the external audit plan for 2023/2024 to the Board on 5 July 2024 for approval** **HofG**
- Nathan Coughlin left the meeting*
10. **Review of performance and re-appointment of the Internal Audit Service**
 This item was dealt with as a confidential item and recorded in the confidential minutes.
11. **Emerging Risks**
 The Committee considered that there were no additional risks to add to the risk register that had emerged during the meeting.
12. **Future Meetings**
- 12.1 The Committee agreed to take the following items to the Board:
- Risk register
 - Financial statements audit plan
 - Post 16 Audit Code of Practice
 - Internal audit program 2024/2025
 - Re-appointment of TIAA
- The Chair sought governor views on future meetings being face to face or online. The Head of Governance advised that this would be discussed at the Search and Governance Committee and a recommendation brought to the Board. **HofG**
- 12.2 Items for next meeting
 The Committee reviewed and agreed the cycle of business for the meeting on 18th November 2024.

- 12.3 Date of meetings
- 18th November 2024
 - 24th February 2025
 - 9th June 2025

13. **Items for Information**

- 13.1 Anti-Fraud register
13.2 Register of Interests
13.3 GDPR Report

Signed by the Chair



Date: 18th November 2024