

EXETER COLLEGE FURTHER EDUCATION CORPORATION

AUDIT AND RISK ASSURANCE COMMITTEE

Minutes of the meeting held on Monday 21 March 2022 via Zoom

Present	Neil Hitchings	Vice Chair
	Rob Hutchins	
	Adele Westcott	Co-opted
Observers	None	
In Attendance	Richard Church	Chief Financial Officer
	<i>To item 9 only</i> Roy Plowman	Tiaa, Internal Auditor
	<i>For item 6 only</i> Toby Coombes	Director of Finance, Funding and MIS
	Alison Layton-Hill	Clerk to the Corporation
Apologies	Sarah Brampton	

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| 1. | <p>Welcome, Apologies and Declarations of Interest</p> <p>The Chair welcomed colleagues to the meeting and extended a particular welcome to Roy Plowman from Tiaa. Although the Principal/CEO usually attends in an advisory capacity, he had given apologies. Apologies were also received from Sarah Brampton and there were no declarations of interest received.</p> | Action |
| 2. | <p>Deep Dive</p> | |
| 2.1 | <p>R4 – sufficient specialist resources, social space and accommodation to support students</p> <p>AND</p> <p>R62 – failure to deliver capital and revenue projects</p> <p>The Committee received the presentation and noted the selected risks and mitigations that have been put in place. It was confirmed that rising costs, inflation and the availability of contractors are all issues that the College is keeping under close scrutiny.</p> <p>The Committee questioned whether carbon neutral ambitions are incorporated into building plans. The College strives to make its estate as efficient as possible and the DfE has a higher level of focus on net Zero in terms of their funding model.</p> <p>The expertise of the Director of Estates and IT was acknowledged and governors questioned the resilience of resources in the wider team. The use of consultants provides continuity although it was accepted that there is a desire to build more resilience into the Estates team.</p> | |

The importance of sustainable travel especially for learners who travel some distance was raised. The College works closely with Great Western Railway and Stagecoach to co-ordinate the public transport offer and local learners in the main walk or cycle. The College also works in partnership with Co-bikes and Co-cars for travel to some less accessible sites and travel planning is a component part of the Masterplan. It was noted that there will be a discussion at the Board Residential in May 2022 related to the College's appetite for growth, sustainability will form part of that.

The committee was reassured that the risks were being adequately mitigated and agreed the level of risk as assessed.

The Committee thanked the Chief Financial Officer and the Director of Estates and IT for their presentation

3. Minutes

3.1 The minutes of the meeting held on 15 November 2021, as circulated, were agreed by the Committee.

3.2 The confidential minutes of the meeting held on 15 November 2021, as circulated, were agreed by the Committee.

4. Matters Arising

There were no matters arising that did not appear elsewhere on the agenda.

5. Risk Management Update

5.1 Risk Register

The Committee received the risk register and the Chief Financial Officer highlighted the changes since the previous Committee.

Three risks had been reduced, R13 adverse publicity, R45 nursery collaboration and R54 the negative impact of coronavirus. Three risks had been added to the risk register, R66 recruitment 2022/2023, R67 the impact of devolution and R68 relating to the impact of the conflict in Ukraine.

Governors questioned the level of business continuity scenario planning that is undertaken. It was confirmed that business continuity is discussed at senior resources meetings.

The Committee enquired as to whether other committees oversee the risk register. It was confirmed that the Business Services Committee and the Quality and Standards Committee receive the risk register and consider the risks pertinent to the business undertaken by them. Committees also consider whether any risks had emerged from discussion at each meeting.

The Committee asked the internal auditor for their view on the College's risk register and was pleased to note that he considered that there is a good risk process in place.

The Committee voted to recommend the risk register to the Board on 29 April 2022

Clerk

The Director of Finance, Funding and MIS joined the meeting for item 6 only

6. **ESFA Audit Management Letter**

The Committee received the positive ESFA Management Letter following the funding assurance review of the College. Governors acknowledged the excellent result and thanked the Director of Finance, Funding and MIS and all staff involved.

The Committee noted the letter

7. **Policies**

7.1 Whistleblowing policy

The Committee received the updated Whistleblowing policy and noted the minor amendments.

The Committee agreed to recommend the Whistleblowing policy to the Board for approval

Clerk

8. **Internal Audit Service**

8.1 Internal Audit Programme progress (SICA)

The Committee received the report and noted that Tiaa had completed two audits since the previous meeting. Anti-fraud training awareness will take place in June and the learner numbers audit is due to commence in April 2022.

8.1.1 Governance audit (conflict of interest, registers, whistleblowing)

The Committee received the audit report and noted a reasonable level of assurance due to the minor recommendation that the Director of Estates and IT complete a declaration of interest form. The Committee also suggested that the audit appeared light with too greater focus on formatting issues. The Committee noted that the College had engaged in a reciprocal governance review with another College and that the report would be received in May 2022. There was also a new requirement for colleges to commission an external review of governance every three years and the College had agreed to commission its first review in the summer of 2023.

8.1.2 Financial Controls audit

The Committee received the audit report and noted a substantial level of assurance. Governors questioned whether data analytics had been used to enable the full sample to be considered, however it was confirmed that this was not the case and sample testing was undertaken.

The Committee reflected that the outcome of the internal audits may not be providing significant value to the College and the risk audit planning may require review.

8.1.3 Internal audit actions progress update

The Committee noted that all recommendations had either been implemented or considered no longer appropriate.

The Committee noted the reports

Roy Plowman left the meeting

9. Auditor Tenders

9.1 Item 9.1 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

10. Terms of Reference

The Committee received the terms of reference which had been updated to reflect the Audit Code of Practice requirement that the committee must consider the training and development of its members.

The Committee agreed to recommend the terms of reference to the Board for approval

Clerk

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:

- Deep Dive
- Risk Register
- Whistleblowing policy
- Appointment of external and internal auditors
- Committee terms of reference

12.2 Items for next meeting

The Committee reviewed and agreed the cycle of business for the meeting on 6 June 2022 and it was confirmed that a new cycle of business will be produced to reflect the reduction in the number of meetings.

Clerk

12.3 Date of meetings

- Monday 6 June 2022

13. Items for Information

13.1 Anti-Fraud register

Signed by the Chair

Date: 6 June 2022