

4. **Risk Management**

4.1 Risk Register

The Committee were informed of two remaining risks with high residual, 11 medium risks, and 10 low risks, this is a similar profile to the last couple of years.

The Committee discussed the movement in risk scores, especially the increases in around accommodating large exam sittings, which has grown significantly. The last resort would be to take out teaching space, plan A is to employ as many spaces as we have available and do short term hotel spaces.

Recruitment and retention was downgraded as a risk due to improved recruitment campaigns, indicative of change in the market other risks assessed. The Committee discussed the risk register in relation to the merger, if this does proceed making sure any merger related risks are accounted for.

The Committee discussed cyber security deep dives, there is no firm time scale in terms of a target date, but this will happen in the next academic year. This will be discussed in Business Services, DN will attend, and report back to this Committee.

DN

The Committee discussed how systems will work in the future with the merger. The Committee were reassured that discreet examination of systems at both colleges will take place, however for the first period both will have separate systems.

**AW joined the meeting 17.39*

The Head of Governance provided assurance to the Committee re. actions taken to ensure a smooth handover process.

ARAC recommend to board the risk register

4.2 Annual report to corporation

The Committee noted 13 significant risks, this was similar to the previous year. From this it was concluded that the portfolio of risks facing the College has remained largely consistent, and not withstanding the planned merger.

The Committee noted the robust risk assessment processes that the college already has, but that it would be helpful to review Petroc's risk register and to understand the processes it currently has in place.

The Committee looked at the differences in risk scores, noting that some had changed in comparison to the year before, additional

JD

comments will be provided in the future to add assurance / track any changes.

JD

The Committee chair noted the use of the assurance map used previously; this will be inserted to provide additional feedback on the progress assurance.

The Committee recommend the Annual report to go to Board on 12th December, subject to the minor amendments.

5. **Internal Audit Service (TIAA)**

5.1 Internal Audit Report

The Internal Auditors confirmed the audit had taken place over 24 days throughout the year, from this assurance was provided that there is reasonable and effective risk management, control and governance processes in place.

Whilst two audits in the report were highlighted as being cancelled, the committee noted that they would be seeking assurance elsewhere in relation to cyber risk, and that the review of governance arrangements would be completed post merger should this proceed.

The committee noted the report.

5.2 2025/26 Internal Audit Plan and Progress Report

The Committee discussed the new failure to prevent fraud offence.

Assurance was provided that all audits for the remainder of 25/26 remainder are scheduled.

The Committee discussed progress against the annual plan, it was noted that the deadline for General IT controls has not been met – the committee were reassured that this was at the agreement of the college. It was noted that there is a balance between getting the balance right between staff workload and having the reassurance provided by an audit or via other means. It was confirmed that the issues were around timing, and additional time dedicated to the merger. were to proceed, now there is more certainty this should proceed.

The Committee discussed audit processes as the merger proceeds, and reassurance was provided that there will be a review post-merger with both colleges to ensure that adequate audit arrangements are in place. . The Committee agreed to discuss initial plans for 26/27 cycle early in the new year, offline with the vice Chair, JD and internal auditors, the

JD, RH,
JG

initial thoughts will be discussed in the February meeting, finalising in the June meeting.

The Committee were reminded that both colleges use different internal audit firms.

The Chair thanked JG for his work this year.

**JG left meeting 17.59*

The Committee agreed to recommend the Progress Report to the Board for approval at its meeting on 12th December 2025.

5.3 **Latest Recommendations Tracker**

The Committee reviewed the tracker; it was noted that the Terms of Reference for Health and Safety is out of date – the Chief Financial Officer confirmed that this has been amended but is yet to be approved.

6. Financial Statements – Confidential

This item was dealt with a confidential item and as such recorded in the confidential minutes.

7. **Audit and Risk Assurance Annual Report**

The Committee were pleased to report the assurances noted from that the external and internal auditors. The Committee queried the number of internal audit days and whether coverage was adequate . It will be noted in the report that assurance has been sought through other avenues e.g. in respect of cyber risk.

JD

**AW left the meeting 18.36*

**JD left the meeting 18.40*

8. **Governors' Only Item with External Auditors**

This item was dealt with a confidential item and as such recorded in the confidential minutes.

**NC left the meeting 18.53*

9. **Emerging Risks**

The Committee considered that there were no additional risks to add to the risk register that had emerged during the meeting.

10. **Future Meetings**

10.1 Items to take to Board:

- Risk Register
- Risk Management Annual Report to Corporation
- Key Issues Discussion Document
- Regularity self-Assessment Report
- Letters of Representation
- Audit and Risk Assurance Committee Annual Report

10.2 Items for next meeting

- Update on two financial systems post merger
- 26/27 audit cycle

10.3 Date of meetings

- 3 February 2026
- 8 June 2026

11. **Items for Information**

11.1 Anti-fraud Register

11.2 Gifts and Hospitality Register 2024/2025

11.3 Any Health and Safety Breaches

12. **AoB**

It was noted that there had been issues with Board effect, there was a planned system switchover which had been delayed, apologies for any inconvenience.

The Chair thanked Tony for attending his first Committee meeting.

The Chair noted that the Chair of the Corporation's attendance was needed as per the Framework for Auditors and Reporting Accountants of Colleges requirements. The chair of the Board attends the Audit Committee to hear the auditors present their findings.