

AUDIT AND RISK COMMITTEE MEETING

CONFIRMED MINUTES OF THE MEETING HELD ON WEDNESDAY 29 NOVEMBER 2023 AT 09:00AM IN THETFORD BOARDROOM

Present:

Andrea Blanchflower	ABI	Chair
Jill Lanning	JL	Governor
Phil Pearce	PP	Governor
Marcus Bailey	MB	Governor

Attendees:

Jerry White	JW	Principal
Martin Colbourne	MC	Deputy CEO
Karen McIntosh	KM	Finance Manager
Stuart McKay	SMk	External Auditor, MacIntyre Hudson (<i>remotely via Teams</i>)
Paul Goddard	PG	Internal Auditor (Scrutton Bland) (<i>remotely via Teams</i>)
Jodie Mitchell	JM	Director of Governance and Legal
Barbara Ashby	BA	Governance and Legal Administrator, minutes

Apologies:

Sean Green	SG	Governor
Rakesh Shaunak	RS	External Auditor, MacIntyre Hudson

1. Confidential – Governor’s meeting with External Auditors

This item is an opportunity for informal discussion between governors and auditors and is not formally minuted.

JW, MC, KM, and BA joined the meeting at 9:25am

2. Apologies for Absence

Apologies were received and noted as above.

3. Declarations of Interest

No new declarations were made.

4. Draft Minutes of the Meeting held on 19 September 2023

The draft confidential minutes of the meeting held on 19 September 2023 were agreed as a true record of the meeting and will be signed by the Chair at the next available opportunity.

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6. Matters Arising

22/23 Audit 3 Action 7: Use of AI (chatGPT) risks and subsequent control measures to be discussed at the next A&R committee meeting. To be brought to A&R in the new academic year. *Further update to be provided.* **ACTION ON-GOING**

22/23 Audit 4 Action 3: ACTION COMPLETE

22/23 Audit 4 Action 6: MC to arrange a forum meeting with JW and JP and Committee chairs to review alignment of the current risks and possible addition of strategic risks. Risk workshop on 27 November to progress Governor discussion on the risk register. *Work in progress which is to be considered at Board Strategy Day on 27 February 2024.* **ACTION ON-GOING**

22/23 Audit 4 Action 7: ACTION COMPLETE

23/24 Audit 1 Action 1: JW to provide Governors with a summary of the Handbook following publication. *Not due yet.* **ACTION ON-GOING**

23/24 Audit 1 Action 2: ACTION COMPLETE

23/24 Audit 1 Action 3: JW to provide a report showing data around students withdrawing early from lessons (Action arising from Internal Audit report (Student Attendance & Retention)). **ACTION ON-GOING**

23/24 Audit 1 Action 4: LC to update the report with the revised date of April 2024 as agreed with Governors. **ACTION ON-GOING**

23/24 Audit 1 Action 5: ACTION COMPLETE

23/24 Audit 1 Action 6: ACTION COMPLETE

23/24 Audit 1 Action 7: ACTION COMPLETE

7. **CONFIDENTIAL - Draft Annual Report & Financial Statements 22/23**
The discussion was confidential and is recorded within the confidential minutes.
8. **CONFIDENTIAL - Going Concern**
The discussion was confidential and is recorded within the confidential minutes.
9. **CONFIDENTIAL – Accounting Estimates**
The discussion was confidential and is recorded within the confidential minutes.
10. **CONFIDENTIAL – Pension Assumptions**
The discussion was confidential and is recorded within the confidential minutes.
11. **CONFIDENTIAL - Regularity Assessment**
The discussion was confidential and is recorded within the confidential minutes.
12. **CONFIDENTIAL - Fraud Assessment**
The discussion was confidential and is recorded within the confidential minutes.
13. **CONFIDENTIAL – FSA (MH) Letter of Representation**
The discussion was confidential and is recorded within the confidential minutes.
14. **CONFIDENTIAL – ILR Funding Assurance Report**
The discussion was confidential and is recorded within the confidential minutes.
15. **CONFIDENTIAL – MHA Audit Memo**
The discussion was confidential and is recorded within the confidential minutes.
16. **CONFIDENTIAL – Scrutton Bland Annual Report 22/23 including Head of IA opinion**

The discussion was confidential and is recorded within the confidential minutes.

17. CONFIDENTIAL – Draft Audit Committee Report 2022/23

The discussion was confidential and is recorded within the confidential minutes.

18. Progress Report on Outstanding Internal Audit Recommendations

The report was circulated prior to the meeting and taken as read. The following points were noted that:

- This is the first time the Report has been presented at this Committee in this format to provide assurances that work is progressing on the unmet Internal Audit recommendations.
- This matter was raised at the last Committee meeting and Governors agreed that this is a useful document to have going forwards to show the progress of the recommendations.
- Internal Audit Reports will in future be fed through to relevant Committees to raise awareness of the risks identified, the recommendations made and the management response. It was agreed that the Audit & Risk Committee would continue to have overall responsibility for the work of the Internal Auditors, as set out in the Terms of Reference.
- The suggestion was made about having a graph to show all outstanding points and for the title '*revised completion date*' to be added under '*due date*'.
- An observation was made in respect of the slippage on a number of recommendations, that this could be as a result of capacity issues within SMT.

ACTION 4: JM to amend the Progress Report on Outstanding Internal Audit Recommendations to have a revised completion date and to include a graph highlighting outstanding actions.

19. Review of Risk Register

The report was circulated prior to the meeting and taken as read. JL informed the Committee that Governors had attended the Risk Workshop held on 27 November 2023 which considered the existing risks in the register, whether there were any gaps and which were strategic rather than operational risks.

It was noted that the points made in the Workshop will inform a re-draft of the risks but that this will also be informed by the Strategic Review just launched by the Principal and to be considered at the Board Strategy Day on 27 February 2024. It was agreed that, as part of this exercise, the monitoring of each strategic risk should be allocated to an appropriate committee and included in their Terms of Reference. JL pointed out that this work on risk needs to align with the work being undertaken on Governance and agreed to liaise with JM with a view to drafting a 'roadmap' of the linked activity.

It was queried whether the timeline for this matter could be considered at the next Audit and Risk committee on 4 March 2024 and whether an extra meeting should be held at the end of January to discuss further.

ACTION 5: JL to liaise with JM regarding drafting a 'roadmap' of the points made in the risk workshop and to link this activity with Governance.

ACTION 6: ABI/JM To consider whether an extra Audit and Risk meeting should be held at the end of January to discuss risk reviews further.

20. Statutory and Regulatory Updates

MC provided a verbal update for the Committee stating that there has still not been a decision made regarding whether the government are making any change to the financial year end so the College will continue to work to their current year end practice in the meantime.

21. Other Urgent Business

No matters were raised under this item.

22. Date of Next Meeting

The next Audit and Risk committee will take place on 5 March 2024

All business having been concluded; the meeting closed at 11:29am.

Signed Date
(Chair)