Reigate
Learning Alliance

**MINUTES OF THE AUDIT & RISK COMMITTEE MEETING HELD
02 MARCH 2023 VIA ZOOM**

Present: Mr Stephen Hewes (Chair)
                     Ms Kate Fulker

In Attendance: Ms Kim Saw   - Director of Finance
                     Mr Jon Allen   - Clerk
                     Mr Graham Gillespie - Wylie & Bisset (W&B)
                     Mr Scott McCready   - Wylie & Bisset (W&B)
                     Mr Chris Whelan   - Chief Executive Officer

The meeting commenced at 1730.

WELCOME, APOLOGIES & DECLARATIONS OF INTEREST

1   The Chair welcomed everyone to the meeting. Apologies were received from Mr Stuart Wilcox (Risk Champion). There were no declared interests against any of the agenda items.

MINUTES

2.   It was **RESOLVED** to approve the minutes of the Audit & Risk Committee meeting held 15 November 2022 (Paper 1).

SUMMARY ACTION LIST & MATTERS ARISING

3.   The '*Summary Action List*' (Paper 2) was received that reported on the following action points from the previous meeting:

MIN REF	ACTION POINT	UPDATE
21 – From September Meeting	The Internal Audit Service to undertake a further audit on Learning Agreements, with a sample size of 2%. The audit to be undertaken after Christmas.	The IA review of Learning Support is due to take place from 27 March and outcomes arising from the audit to be reported on at the June meeting.
6	Confirmation to be received that checks are done to ensure those staff who are no longer employed have no access to the College IT system.	Confirmation was received that staff no longer employed have no access to the College IT system and this is actioned on their departure date. Similarly, any staff subject to suspension from the College on disciplinary

		grounds also have no access to the IT system during their period of suspension.
& 21	To add to the '*Financial Statement and Annual Report 2021/22*' a statement confirming the College was subject to an Ofsted inspection during the financial year 2021/22. As the report refers to the work of the internal audit service and of the internal audit reports received, it was agreed against each audit report listed, to confirm if any or no significant control issues were identified.	Completed.
24	Letter or Representation on regularity assurance - It was agreed to add to the statement the wording - 'with the exception of matters raised by Ofsted in their recent inspection of Reigate College.	Completed.
31	IT Penetration Report: management responses be added against each recommendation made for review at the next meeting	Agenda item at this meeting
45	The Chair requested a table of policies that require review and approval by Trustees to be made available. In terms of what policies require Trustee review and approval, it was agreed it should be those policies that either refer to the involvement of Trustees in the discharging of the policy (such as hearing an appeal against student exclusion), or any policy linked to Trustee's statutory/regulatory responsibilities (such as Safeguarding, Health & Safety).	Agenda item at this meeting

AUDIT PROGRESS CHECK

4.   It was confirmed the report was not required for this meeting as all previous points were closed, and the new points this year will be from the two internal audit reports being considered at this meeting.

JISC IT PENETRATION REPORT

5.   The report was considered at the last meeting prior to the inclusion of management responses. The report made available for this meeting now included management responses (Paper 3).

6.   A couple of minor points were raised for clarification purposes relating to Telnet and PingCastle. Was there any replacement programme in place as Telnet cannot be replaced on old switches? Was the PingCastle tool in use at the time of the assessment or was the use of PingCastle a new development? It was **AGREED** to seek further clarification from the IT Manager on these two points and to email his responses to Committee members.

7.   The Committee considered the various management responses and deemed them to be both appropriate and timely and there were no issues arising.

INTERNAL AUDIT

8.   Two internal audit reports were available for the Committee to review, these being:

- Budgetary & Financial Reporting Audit Report (Paper 4)
- Payroll Audit Report (Paper 5)

Budgetary & Financial Reporting Audit Report:

9.   The purpose of the review was to ensure that the Trust has appropriate budgetary and financial reporting arrangements in place and that these have been embedded throughout the whole of the Trust. This review sought to provide assurance to the Board, via the Audit & Risk Committee, that the Trust's budgetary and financial reporting arrangements are adequate.

10.   The report gave a 'Strong' assurance (the highest assurance rating possible) and the following assessment from the auditors was noted:

> *Through our review we can conclude that the Trust has strong controls in place in relation to its budgetary and financial reporting processes. We are satisfied that there is appropriate monitoring of budgets and performance to ensure that any issues are highlighted and addressed at an early stage. There are several areas of good practice which are highlighted in the Executive Summary. We have raised one low grade recommendation and one observation to improve the current controls operating.*

11.   The 'Low' grade recommendation related to the need to formalise procedures outlining the budget setting and monitoring process.

Payroll Audit Report:

12.   The purpose of the review was to look at the payroll system used by the Trust to ensure this is operating as expected and that the appropriate controls exist. The audit ensured that the payments being calculated by the system were accurate and were based on bona fide hours worked. The audit also reviewed all deductions and additions to salaries to ensure that these were correctly calculated and properly authorised.

13.   The report gave a 'Strong' over assurance and the following assessment from the auditors was noted:

> *Following our review, we can provide strong assurance that the payments made at the Trust are accurate and based on bona fide hours worked. We can also provide strong assurance that deductions and additions to salaries are correctly calculated and properly authorised, and that the controls in place and payroll procedures are documented and are being adhered to by all the staff involved. As such, we have raised several good practice points and no recommendations for improvement.*

14.   The Committee noted and welcomed the 'strong' assurances arising from the two audits and welcomed the clarity of both reports.

15.   It was **RESOLVED** to note the two internal audit reports.

SCHOOL RESOURCE MANAGEMENT SELF-ASSESSMENT CHECKLIST

16.   The completed self-assessment checklist was received for the Committee to review (Paper 6).

17.   It was confirmed the completion of the checklist is a mandatory requirement of the funding agency (ESFA) and is now in its fourth year of operation. The checklist asked questions in six areas of resource management to help provide assurance that resources are being managed effectively.

18.   For Question 8b, it was agreed to amend the '100%' to '80%', as one Member was not in attendance at the AGM held in January.

19.   It was **RESOLVED** to note the completed checklist.

COLLEGE POLICIES

20.   It was agreed at the last meeting to receive at this meeting a table of policies that require review and approval by Trustees. In terms of what policies require Trustee review and approval, it was agreed it should be those policies that either refer to the involvement of Trustees in the discharging of the policy (such as hearing an appeal against student exclusion), or any policy linked to Trustee's statutory/regulatory responsibilities (such as Safeguarding, Health & Safety).

21.   Made available for the Committee to review was a comprehensive listing of all college policies (Paper 7).

22.   Two tables were made available in the report. The first table was a list of policies that academies are legally required to publish. The list is generic with the result that some policies are not appropriate in a college, for example, policies relating to school uniform.

23.   The second table was a list of policies that are not specified for publication by the DfE, but which might be of interest to governance or are required by other parts of government, for example, the Gender Pay Gap.

24.   The report confirmed the Reigate College policy or statement that was in place against each policy listed, and, if appropriate, which Trust Committee was responsible for the policy oversight.

25.   Following review, the following was **AGREED**:

    (i)   For the next meeting, to make available a table listing the required policy, with confirmation of the College policy that is in place to meet the requirement; to confirm the review date for the policy, and to confirm if there is a need for the Trust Board or Committee to have sight of the policy as part of the review process;

    (ii)   Once the table is finalised, to make this available to the Committee Chairs so that they can identify if any of the policies should be subject to review by their Committee;

(iii)   To keep the table up to date by adding any new policy directives issued by either the DfE or ESFA; and

(iv)   For the table of policies to be subject to annual review at the spring meeting of the Audit & Risk Committee

26.   It was **RESOLVED** to note the report.

COMMITTEE BEOARD ASSURANCE ASSESSMENTS

27.   The Local Governing Body made the following assurance assessments on the reports received and reviewed at its meeting held on 31 January 2023 (Paper 8):

Agenda Item	Subject	RAG rating	Any Committee Recommendation(s)
6	SENDCO Progress Update	**Amber**	Excellent progress has been made and the LGB was assured on the progress made to date, but the Ofsted monitoring visit, when it takes place, will confirm if areas of concern identified at the inspection have been addressed to the satisfaction of Ofsted.
7	Work Experience	**Amber**	Excellent progress has been made and the LGB was assured on the progress made to date, but the Ofsted monitoring visit, when it takes place, will confirm if areas of concern identified at the inspection have been addressed to the satisfaction of Ofsted.
8	Curriculum Update	N/A	Not possible to give an assessment as the DfE will be the driving force for any vocational qualification reforms. The College will prepare for any changes arising when the DfE publishes final details of their proposals. Risk to be added to the Risk Register.
9	Development Plan	**Green**	No recommendations
10	Student Voice	**Green**	No recommendations
11	Staff Voice	**Green**	No recommendations

28.   The Finance & Resources Committee made the following assurance assessments on the reports received and reviewed at its meeting held on 28 February 2023:

Agenda item	Subject	RAG rating	Any Committee Recommendation(s)
6	Management Accounts	**Green**	No concerns/no recommendations
7	ILR Building Costs	**Amber**	Further action being taken before the matter proceeds to the Trust Board for decision making
8	Funding Factors	**Green**	No concerns/no recommendations
9	Financial Regulations	**Green**	No concerns/no recommendations

10	Charging & Remissions Policy 2023/24	**Green**	No concerns/no recommendations
11	Review of Contracts	**Green**	No concerns/no recommendations

29.   It was **RESOLVED** to note the reports.

RISK REGISTER 2022/23

30.   Received for review was the current version of the '*Risk Register 2022/23*' (Paper 9).

31.   It was confirmed four risks were outside the agreed tolerance parameters.

32.   The first related to the recruitment of teaching staff which remains an area of high risk (Risk 4). The shortage of people applying to PGCE courses remains a problem and there is no sign of this improving. For 2021-2022 the number of new entrants to teacher training was 82% of the target. The quality of applicants has also declined. The College continues to invest in its own teacher training programme and to pay slightly higher than the national6average for SFCs. As the risk remains unaltered, to amend the down arrow to an equal sign.

33.   The second related to the drafting of the strategic plan that is still work in progress with work progressing on KPIs (Risk 7). The SWOT analysis was approved at the December Trust Board meeting. The Annual General Meeting held in January 2023 agreed the strategic direction 2023/24 for the Reigate Learning Alliance. The final format for reporting against the agreed KPIs is a scheduled agenda item at the March Trust Board meeting. Once the format for KPI reporting is approved, this risk will be reassessed with the expectation that it will then fall within agreed tolerance parameters.

34.   The third risk related to the EHCP reviews issue which will remain outside of appetite until it is subject for review by Ofsted when their monitoring visit takes place (Risk 18).

35.   The fourth risk is a new risk that was brought to the attention of the Local Governing Body when it met in January. The risk related to the DfE announcement on vocational qualification reforms (Risk 19). As the proposed vocational qualification reforms will have a significant impact on the College it was agreed at the LGB meeting to add this risk to the Risk Register. It was confirmed the College will prepare for any changes arising when the DfE publishes final details of their proposals.

36.   It was **RESOLVED** to note the '*Risk Register 2022/23*'.

COMMITTEE'S BOARD ASSURANCE ASSESSMENT

37.   The Board Assurance Framework (BAF) requires each Committee to conduct at the end of the meeting an assessment on their level of assurance agreed against each report received.

38.   The following assessments were agreed on reports considered at this meeting:

Agenda item number	Subject	RAG rating	Issues/Recommendations

7	JISC Penetration Report	**Green**	No issues/No recommendations
8	Internal Audit Report - Budgetary & Financial Reporting	**Green**	No issues/No recommendations
8	Internal Audit Report - Payroll	**Green**	No issues/No recommendations
9	School Management Resource Checklist	**Green**	No issues/No recommendations
10	College Policies	**Amber**	No issues but the recommendation was to undertake further work on the presentation of the table of policies for review at the next meeting.
11	BAF Assessments conducted by Committees	**Green**	No issues/No recommendations
12	Risk Register 2022/23	**Green**	No issues/No recommendations

ANY OTHER BUSINESS

39.   Received for information purposes was the official resignation letter from RSM, the College's External Auditor, following the end of their contract as a result of the tendering exercise and appointment of Buzzacott as the College's External Auditor with effect from 01 January 2023.

40.   The Chair asked if the transition to the new External Auditors was progressing in a positive direction. The Director of Finance confirmed that it was with no issues of concern to report to the Committee.

41.   There was no other business.

DATE OF NEXT MEETING

42.   Monday 26 June 2023 @ 17.30.

The meeting closed at 18.35

Signed: _____   Date: _____
(Chair)

MIN REF	ACTION POINT	WHEN
6	IT Penetration Report: A couple of minor points were raised for clarification purposes relating to Telnet and PingCastle. Was there any replacement programme in place as Telnet cannot be replaced on old switches? Was the PingCastle tool in use at the time of the assessment or was the use of PingCastle a new development? It was **AGREED** to email answers to both queries to Committee members.	26/6/23
25	College Policies: For the next meeting, to make available a table listing the required policy, with confirmation of the College policy that is in place to meet the requirement; to confirm the review date for the policy, and to confirm if there is a need for th Trust Board or Committee to have sight of the policy as part of the review process; Once the table is finalised, to make this available to the Committee Chairs so that they can identify if any of the policies should be subject to review by their Committee; To keep the table up to date by adding any new policy directives issued by either the DfE or ESFA; For the table of policies to be subject to annual review at the spring meeting of the Audit & Risk Committee	26/6/23