



AUDIT & RISK COMMITTEE MINUTES OF THE MEETING HELD 20 JUNE 2023

Present:	Mr Stephen Hewes (Chair) Ms Kate Fulker
In Attendance:	Ms Kim Saw - Director of Finance Mr Gumayel Miah - Auditor Buzzacott Ms Freya Diffey - Auditor Buzzacott Mr Chris Whelan - Chief Executive Officer Mr Scott McCready - Auditor Wylie & Bisset Mr Stuart Wilcox - Risk Champion Mr Jon Allen - Clerk/ Governance Professional

The meeting commenced at 17.30.

WELCOME, APOLOGIES, DECLARATIONS OF INTEREST & ANNOUNCEMENTS

1. The Chair welcomed everyone to the meeting. Mr Gumayel Miah and Ms Freya Diffey were welcomed to their first meeting following the recent appointment of Buzzacott to act as the external auditors for the Trust. There were no apologies. The Clerk/Governance Professional confirmed the meeting was quorate.

DECLARATION OF INTERESTS

2. There were no declared interests against any of the agenda items.

MINUTES

3. The minutes of the meeting held 02 March 2023 were agreed as an accurate record of the meeting (Paper 1).

SUMMARY ACTION LIST

4. The '*Summary Action List*' (Paper 2) was received. It was confirmed that the minor points raised at the last meeting for clarification purposes relating to Telnet and PingCastle have since been dealt with. The second action point relating to College policies is an agenda item at this meeting.

ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE

5. The annual review of the Committee's Terms of Reference is a requirement confirmed in the Articles of Memorandum (Clause 101) and in the Trust's Standing Orders (Clause 11.2). Changes made were to replace 'Clerk' with the new title 'Governance Professional' were noted following the adoption by the Trust of the Articles published by the DoE in June 2022.

6. Following review, the Committee proposed no other amendments. It was **RESOLVED**

to seek Trust Board approval for the amended Terms of Reference.

AUDIT PROGRESS REPORT

7. The audit progress update is made available in the internal audit report on follow-up actions, a later agenda item in paper 7.

FINANCIAL STATEMENT AND REGULARITY AUDIT PLAN

8. Gumayel Miah and Freya Diffey from Buzzacott presented the audit plan for the audit of the Financial Statement and Regularity Audit for the year-ended 31 August 2023 (Paper 4). The report outlined the audit areas and the proposed fee structure for the audit of year-end accounts to 31 August 2023. It was confirmed the areas covered were in line with the requirements of the Funding Agency and Accounting Directions.

9. The College is required to complete a regularity self-assessment questionnaire and it was confirmed this will be circuited to Committee members for review with formal sign off to be an agenda item at the November meeting of the Audit & Risk Committee.

10. It was **RESOLVED** to approve the Financial Audit Plan for the year-ended 31 August 2023.

INTERNAL AUDIT PLAN 2023/24

11. Scott McCready from Wylie & Bisset was in attendance to present the proposed '*Internal Audit Plan 2023/24*' (Paper 5). The agreed areas for audit in 2023/24 were Health & Safety, GDPR, Safeguarding, Risk Management and follow-up review.

12. It was confirmed the audit review of risk management will focus on the embedding of risk within the College as well as reviewing risk management processes and policies.

13. it was **RESOLVED** to approve the '*Internal Audit Plan 2023/24*'.

INTERNAL AUDIT REPORTS

14. Scott McCready from Wylie & Bisset presented the following reports:

- (i) Follow-up Report – Paper 6
- (ii) Learning Support Report – Paper 7
- (iii) Learner Agreement Report – Paper 8
- (iv) Annual Internal Report 2022/23 – Paper 9

(i) Follow-up Report:

15. The purpose of the review was to assess whether the Trust has appropriately implemented the internal audit recommendations made in 2023/24. The report confirmed 15 of the 16 previous recommendations had been fully implemented, with the outstanding action point having been superseded. The report confirmed a 'Strong Assurance' audit opinion.

(ii) Learning Support Report:

16. The purpose of the assignment was to undertake a review of the documentation held by the Trust for the learning support provision to ensure compliance with Special Educational Needs and Disability (SEND) Regulations 2014 and the SEND Code of Practice 2015. The audit looked to ensure that the Trust are adhering to ESFA guidance and adhering to funding requirements. The audit also followed up on the

recommendations raised within the Audit of Learning Support review carried out in 2021/22 to ensure that they were fully implemented.

17. The report confirmed a strong level of assurance that the College's Learning Support Team are adhering to the SEND Code of Conduct (2015) and SEND Regulations 2014 requirements in respect of the completion of annual learning needs reviews for its students with an EHCP in place. The report confirmed one low grade recommendation – to ensure that the Local Authority Representative is appropriately named within each of the Annual Reviews.

(iii) Learning Agreement Review Report:

18. The purpose of this assignment was to assess whether learning agreements at the Trust are being returned in time, are accurate, agree to the information that is recorded on the system and that there is no risk of forms being altered or emended. Following the review, the auditors were able to provide the Trust with a strong level of assurance relating to the recording and accuracy of learning agreements at the Trust. There were no recommendations made.

Internal Audit Annual Report 2022/23:

19. The Internal Audit Service is required to produce an annual report summarising the work of the Committee during the financial year. In addition, the Internal Audit Service is required to make available an overall opinion on the adequacy and effectiveness of the Trust's internal control systems.

20. The Committee noted and welcomed the following opinion confirmed in the annual report:

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the Trust's risk management, control and governance processes.

In our opinion Reigate Learning Alliance did have adequate and effective risk management, control and governance processes to manage its achievement of the Trust's objectives at the time of our audit work.

In our opinion, the Trust has proper arrangements to promote and secure value for money.

COLLEGE POLICIES

21. A table of statutory policies was made available (Paper 10). The table listed the policy, schedule for review/approval, and approval level. The Committee was asked to review which Trust committee should provide oversight for each policy listed.

22. It was noted the schedule of statutory policies is reviewed annually in September by the DoE, but updates are also issued as and when required by the DoE. So the list of statutory policies is subject to frequent changes.

23. Following the identification of which Trust committee was most appropriate to provide oversight for the listed policies, the following was **AGREED:**

- (i) To receive at the next meeting the College Complaints Policy with a summary analysis on complaints received;
- (ii) To add to the cycle of business for the Audit & Risk Committee for the review of statutory college policies to be an agenda item at the summer

- term meeting; and
- (iii) For the final version of the table of policies to be circulated to Committee Chairs for their review.

24. It was further **AGREED** that for all statutory policies the introduction to the policy needs to confirm if any DoE guidance has been incorporated within the policy and when was the policy last reviewed against DoE guidance.

REVIEW OF POLICIES RELATING TO DISASTER RECOVERY, FRAUD & BRIBERY & PUBLIC INTEREST DISCLOSURE

25. The Board Assurance Framework requires the Audit Committee to undertake an annual review of College policies relating to Disaster Recovery (comprising Major Incident Policy and IT Disaster Policy), Fraud & Bribery, and Public Interest Disclosure (Papers 10-14).

26. Committee members were invited to review and to make any suggestions for amending the policies. The following changes were proposed:

(i) Disaster Recovery Policy

The policy needs to confirm communication arrangements to Trustees in the event of a disaster/serious incident.

A process to be added to the policy to deal with any incidents of knife/gun attack.

Staff information. Details needs to be updated.

(ii) Bribery Policy

The focus of the policy is on 'receiving' and not 'giving'. Add reference in the policy that the giving of gifts is prohibited.

Prevention and detection – Make a statement in the policy on the process to follow for prevention and detection.

(iii) Fraud

The policy states staff can have redress to the Chair of the Audit & Risk Committee but does not confirm how to contact the Chair.

This led to a discussion on the use of Trustee college email addresses that was previously discussed at a Board meeting. The use of college email addresses to be revisited and the CEO agreed to raise this with the College's Data Protection Officer for further guidance and actioning.

RISK REGISTER 2022/23

27. The current risk register was received for review (Paper 15). As requested, more examples of mitigation actions have been added to risks. It was confirmed no new risks have been added to the register since the last review.

28. It was **AGREED** to confirm in the Register that the College Strategic Plan has been approved and the Annual General Meeting held in January undertook the annual review of the strategic direction of the Trust.

29. It was **AGREED** to delete from the register the risk relating to Covid.

30. Risk 19 - Proposed DfE changes to the range of vocational qualifications – it was agreed that the likelihood was higher than ‘3’. This is considered to be more of a risk to the appropriate course offering to students than to the teaching staff, who already cover syllabuses.

ANNUAL REVIEW OF THE BOARD ASSURANCE FRAMEWORK (BAF)

31. The schedule of business requires the Committee to conduct the annual review of the BAF at its summer term meeting to see if the sources of assurance evidence are still appropriate or if there are any identified assurance gaps that need to be addressed.

32. Made available for the Committee to review was the Board Assurance Framework 2022/23 (Paper 16).

33. It was noted the annual review of Health & Safety is required to be an agenda item at the autumn term meeting of the Trust Board, including the review of the Health & Safety Policy.

34. Under the section ‘Corporate Governance’ to add the annual review of statutory College policies and for the review to be undertaken by the Audit & Risk Committee at its summer term meeting.

35. It was agreed to delete the reference to Covid in the BAF framework.

COMMITTEE BOARD ASSURANCE ASSESSMENTS

36. The Board Assurance Framework (BAF) requires each Committee to conduct at the end of their meeting an assessment on their level of assurance agreed against each report received (including briefings and verbal updates). and for the assessment to be reported to the Audit Committee and Trust Board.

37. The assessments from the Local Governing Body meeting held 16 May 2023 and the Finance & Resources Committee held 20 June 2023 were confirmed as follows:

(i) Local Governing Body:

38. All areas and topics discussed were given a strong assurance with no recommendations or issues arising to report to the Audit & Risk Committee. No new risks were identified.

(ii) Finance & Resources Committee:

39. All areas and topics discussed were given a strong assurance, with the exception of the Trust Budget 2023/24 and summary budgets for 2024/25 and 2025/26. It was noted this was the first time a deficit budget was being proposed for the Trust Board to approve. The Finance & Resources Committee sought assurances that it was permissible under ESFA regulations for the Trust Board to set a deficit budget. It was confirmed a deficit budget can be set providing the Trust can draw upon unspent funds brought forward from previous years. The Trust has sufficient reserves it can call upon but ultimately the aim must be to return at a minimum a balance budget. It was noted the budget will be subject to further discussion at the Trust Board meeting on 11 July.

40. The following assessments were agreed on reports considered at this meeting (Paper 17):

item	Subject	RAG rating	Recommendation(s)
6	Review of Terms of Reference	Green	No concerns/no recommendations
8	Audit Plan for Financial Statements	Green	No concerns/no recommendations
9	Internal Audit Plan 2023/24	Green	No concerns/no recommendations
10(i)	Follow-up Report	Green	No concerns/no recommendations
10(ii)	Learning Support Review	Green	No concerns/no recommendations
10(iii)	Learner Agreement Review	Green	No concerns/no recommendations
10(v)	Internal Audit Annual Report 2022/23	Green	No concerns/no recommendations
11	College Policies	Amber	No concerns but additional work is required to finalise the table of statutory policies.
12(i)	Disaster Recovery Policy	Green	No concerns/minor amendments made to the policy
12(ii)	Bribery & Fraud Awareness Policy	Green	No concerns/ minor amendments made to the policy
12(iii)	Fraud Response Policy	Green	No concerns/ minor amendments made to the policy
12(iv)	Confidential Reporting Policy	Green	No concerns/no recommendations
13	Risk Register	Green	No concerns/ minor changes made to the Register
14	Annual Review of the BAF	Green	No concerns/ minor changes made to the BAF
15	BAF Assessments conducted by Committees	Green	No concerns/no recommendations but the 'Amber' assessment from the F&R Committee on the College Budget 20-23/24 was noted and will be subject to further discussion at the July Trust Board meeting.

ANY OTHER BUSINESS

41. There was no other business.

DATE OF NEXT MEETING

42. Tuesday 21 November 2023 @ 5.30pm.

The meeting closed at 19.30

Signed: _____ Date: _____
(Chair)

MIN REF	ACTION POINT	WHEN
9	The College is required to complete a regularity self-assessment questionnaire and it was confirmed this will be circuited to Committee members for review with formal sign off to be an	21/11/23

	agenda item at the November meeting of the Audit & Risk Committee.	
23	<p>College Policies:</p> <p>To receive at the next meeting the College Complaints Policy with a summary analysis on complaints received;</p> <p>To add to the cycle of business for the Audit & Risk Committee for the review of statutory college policies to be an agenda item at the summer term meeting; and</p> <p>For the final version of the table of policies to be circulated to Committee Chairs for their review.</p>	21/11/23
24	For all statutory policies the introduction to the policy needs to confirm if any DoE guidance has been incorporated within the policy and when was the policy last reviewed against DoE guidance	21/11/23
26(i)	<p>Disaster Recovery Policy</p> <p>The policy needs to confirm communication arrangements to Trustees in the event of a disaster/serious incident.</p> <p>A process to be added to the policy to deal with any incidents of knife/gun attack.</p> <p>Staff information. Details needs to be updated.</p>	21/11/23
26(ii)	<p><u>Bribery Policy</u></p> <p>The focus of the policy is on 'receiving' and not 'giving'. Add reference in the policy that the giving of gifts is prohibited.</p> <p>Prevention and detection – Make a statement in the policy on the process to follow for prevention and detection.</p>	21/11/23
26(iii)	<p><u>Fraud</u></p> <p>The policy states staff can have redress to the Chair of the Audit & Risk Committee but does not confirm how to contact the Chair.</p> <p>This led to a discussion on the use of Trustee college email addresses that was previously discussed at a Board meeting. The use of college email addresses to be revisited and the CEO agreed to raise this with the College's Data Protection Officer.</p>	21/11/23
30	Risk 19 - Proposed DfE changes to the range of vocational qualifications – it was agreed that the likelihood was higher than '3'. This is considered to be more of a risk to the appropriate course offering to students than to the teaching staff, who already cover syllabuses.	21/11/23
32	The annual review of Health & Safety is required to be an agenda item at the autumn term meeting of the Trust Board, including a review of the Health & Safety Policy.	21/11/23
33	Under the section 'Corporate Governance' to add the annual review of statutory College policies and for the review to be undertaken by the Audit & Risk Committee at its summer term meeting.	21/11/23

	To delete from both the Risk Register and BAF references to risks on Covid.	
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