



**USP College Corporation
Risk and Audit Committee**

**Minutes of the Meeting held on Tuesday 19 March 2024
Held on Microsoft Teams
Meeting commenced: 16.00hrs
Meeting ended: 16.50hrs**

Present

Malcolm Bell	Independent Member	Chair
Roger Key	Independent Member	
Tony Wenden	Independent Member	

In attendance

Steven Hendy	Chief Finance Officer (CFO)
Paul Goddard	Internal Audit Service - Scrutton Bland
Jenny Beaumont	Governor designate
Mark Silverman	Association of Colleges

Clerk

Sue Glover	Clerk to the Corporation
------------	--------------------------

The Chair welcomed everyone to the meeting and introduced the governor designate who will be serving on this Committee once their appointment has been formally approved by the Board. Members were also advised that Mark Silverman would be in attendance to observe the meeting as part of the External Governance Review.

001.24 Declaration of Interest

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

There were no declarations of interest.

002.24 Apologies for absence

There were no apologies for absence.

003.24 Unconfirmed minutes of the meeting of the Risk and Audit Committee held on 5 December 2023

The minutes of the meeting were approved and signed as a correct record, subject to minor amendment as discussed.

004.24 Matters arising and action points from the minutes of the previous meeting

Members reviewed the schedule of action points. The Committee were informed that following the written approval from the DfE on 19 December on the refinancing of the loan, the financial statements had been signed off and submitted to the ESFA in good time to meet the deadline of 31 December.

It was agreed that all matters had been satisfactorily completed and there were no other matters arising from the minutes of the previous meeting.

005.24 College Policies – Whistleblowing Policy

On behalf of the Director of HR, the Clerk presented, for consideration and approval, the Whistleblowing Policy.

Members were reminded that the policy is presented on an annual basis for governors' approval. It has been reviewed by the College's Policies and Procedures Committee to ensure it is kept updated to meet legislative or other requirements and there are only minor title changes required at this time.

Members reviewed the document and agreed there was nothing further to add. However, the internal auditor suggested that perhaps the introductory section could be made a little more welcoming and gave an example. The Committee agreed with the suggestion made and asked that the Director of HR review the policy in the light of this and is then presented back to the Committee at the next meeting.

Agreed

The Risk and Audit Committee agreed to the title changes proposed and that the policy is further reviewed in the light of the suggestion made and presented to the Committee for consideration at the next meeting

006.24 Fraud, Irregularity and Whistleblowing Matters

The CFO informed members that it would appear an antique desk belonging to The Trust has been removed from the Trust Room at Palmers without anyone's knowledge. There is currently an investigation to establish whether it has been stolen or just misplaced somewhere in the College. The Committee asked to be kept informed.

The Committee was advised that there were no other matters to report.

007.24 Quarter 3 Headline Risk Register 2023/24

The CFO advised members that due to issues with the 4Risk system, it has not been possible to update the Quarter 3 Headline Risk Register at this time. The matter is being addressed by 4Risk and once resolved the risk register will be updated and circulated to the Committee.

Members discussed the issue and, in response to questions, were advised that

- if the systems were unable to be reinstated the risk register could be redone manually
- there are no significant changes from the Quarter 2 register to report on

The internal auditor took the opportunity to highlight some of the key risks emerging in the sector, which include

- the increase in teaching hours for Maths and English is affecting some colleges who have insufficient levels of teaching staff to deliver this
- Artificial Intelligence (AI) could present a risk

The internal auditor offered a training opportunity for governors relating to artificial intelligence and it was agreed the Clerk would discuss this with the Chair of the Corporation so that this could be offered to the whole Board.

Agreed

The Risk and Audit Committee agreed

- To be kept informed on the progress of reinstating the Quarter 3 risk register
- That AI training should be considered for the whole Board

Mark Silverman left the meeting

008.24 Review of outstanding audit items

The CFO presented a report, which detailed the progress made against the internal audit recommendations for 2022/23 and 2023/24.

Members reviewed the detail of the report, noting the

- summary of the number of recommendations
- progress/completion against each recommendation
- update where target dates have been amended
- that of the 26 recommendations made
 - 19 are complete
 - 7 are ongoing

Members were advised that future reporting will include any new recommendations made by the internal auditor relating to the remaining internal audits being carried out in 2023/24.

It was noted that progress relating to recommendations around Health & Safety inspections had been delayed due to a change of management. Members were advised that the new Estates Manager has settled in well and is making good progress to address the recommendations made.

Members agreed that good progress has been made to complete outstanding audit recommendations.

009.24 Risk and Assurance Progress Report 2023/24 – March 2024

The Internal Auditor presented the Risk and Assurance Progress Report detailing the planned and completed audits against the agreed internal audit plan.

Members noted the internal audits completed to date and those that will be completed during the remainder of the year.

010.24 Internal Audit Reports

The Internal Auditor presented for consideration the following final Risk and Assurance Report:

Safeguarding

Members reviewed the detail of the report, noting

- Assurance opinion – ‘Strong’ green *‘Governance, risk management and control arrangements provide strong assurance that the material risks are managed effectively.’*
- There were no recommendations raised and one value added point, which has since been addressed by management

Members reviewed the report, commenting on the excellent outcome of this audit and asked that thanks are passed to the safeguarding team for their continuing hard work to ensure that the high level of safeguarding measures in place are maintained.

Agreed

The Risk and Audit Committee agreed to accept the

- Internal Audit Recommendations monitoring report
- Risk and Assurance Progress report – March 2024
- Final Risk and Assurance report for
 - Safeguarding

Paul Goddard left the meeting

011.24 Retendering of External Audit Services

The CFO advised on the outcome of the retendering for the College's external audit services.

Following agreement given at the last meeting to proceed with the process for the retendering of the external audit service for the College, the CPC framework had been used to place the tender.

Members were advised that

- nine audit firms were invited to tender
- three declined from an early stage
- tender packs were sent to six firms and three then declined
- three tenders were received from Buzzacott, Alliotts and Mackintyre Hudson, who were invited to present to the panel made up of the CFO, HofF, two members of this Committee, which included the Committee Chair

The Chair informed the Committee that each firm had made a good presentation of the services they were able to offer. The panel had considered each of the presentations and agreed that Buzzacott are reappointed as the College's external audit service.

The process of selecting the external audit provider had been robust and, whilst Alliotts and Mackintyre Hudson had been impressive, it was felt that Buzzacott had built up a good working relationship with the finance team and would provide some continuity. Members were advised that there was a small increase in their fees on the previous year, which will be confirmed within their audit strategy to be presented at the June meeting.

Agreed

The Risk and Audit Committee recommend to the Corporation Board that Buzzacott are reappointed as the College's external audit service for a 3-year period

012.24 Any Other Business

The Clerk informed the Committee that this would be Malcolm Bell's last meeting as he would be leaving the Board at the end of March.

Members took the opportunity to thank Malcolm for all his hard work and contribution as Chair of the Risk and Audit Committee, which had been much appreciated by the Board and the College.

There were no other items of any other business.

013.24 Dates of scheduled meetings of the Risk and Audit Committee 2023/24

Tuesday 11 June 2024

At the conclusion of the meeting, the Committee moved into a meeting restricted in accordance with the Instrument and Articles of Government and with the Section 22 of the Freedom of Information Act 2000, to members of the Committee, the Corporation Board and to senior post holders.

SIGNED AS A CORRECT RECORD:

DATE: 11 June 2024