

Solihull College & University Centre

Annual Audit & Risk Committee Meeting

Minutes of the meeting held on Tuesday 18th June 2024
5.00pm – 7.00pm Blossomfield Campus.

Present Lucy Lee – Chair of A&R committee
Sarah Horton-Walsh
Tony Worth – External Member
Michael Burnett - External Member

In Attendance Rebecca Gater – Principal & CEO,
Heather Hunt – Deputy Principal and CFO,
Pete Haynes – Vice Principal HR & Student Services,
Lee Jamieson – Vice Principal Quality & Curriculum,
Nancy Buckley - Vice Principal Business Growth, Skills & Partnerships,
Sam Bromwich – Director of Corporate Governance, Risk & Compliance
Barbara Hughes – Chair of Corporation
Gita Gorman – Director of Finance
Edward Blackman – Assistant Audit Manager RSM
Craig Sullivan – Partner Bishop Fleming
Jane Grimshaw – Director Bishop Fleming

Apologies Amirun Nehar, Harrison Thompson

Pre-Meeting

A pre-meeting for Governors and Auditors was held prior to the main meeting.

1. Welcome and Apologies

The Chair welcomed the internal and external auditors to the meeting. Apologies were received and accepted from Amirun Nehar and Harrison Thompson.

The Chair confirmed that the meeting was quorate.

2. Declarations of Interest

There were no declarations of interest were declared.

3. Minutes of the Previous Meeting and Actions Report of 5th March 2024

The minutes of the A&R Committee meeting held on 5th March 2024 were **APPROVED**.

The actions were reviewed and updated. Item 6 (Internal Audit Planning session) and Item 7 (Risk Management & Board Assurance Report) were also confirmed as **closed**.

4. Membership Update

The Chair explained that it was her last meeting as Chair of the committee and that Amirun Nehar will take over the position effective 1st September 2024. Tony Worth will be the Vice Chair of the A&R committee effective 1st September 2024.

5. Board Assurance Presentation – Student Recruitment

The presentation was circulated in advance.

The impact of artificial Intelligence (AI) on the college was discussed, focusing on its risk and integration into the risk register. The Deputy Principal and CFO responded to say that JISC is benchmarking AI risks, which will be included in the risk register. The findings of the risks of AI and the risk to the college will be shared at next meeting in November to offer assurance. The Chair commented that it is being approached in a sensible way to navigate the risks to feature in the risk register accordingly. **ACTION**

The Director of Bishop Fleming advised on AI and GDPR-related risks. A report on key messages will be shared. **ACTION**

Ofsted inspection outcomes and their inclusion in the strategic risk register were discussed and it was confirmed the final report will be shared with the Corporation. The Director of Corporate Governance Risk & Compliance advised that feedback from Ofsted is fed into the overall strategic risk register for external assurance

The Chair noted the alignment of the budget with key risks. The related paper will be presented at the Financial Oversight Group (FoG) meeting in June.

6. Cyber Security Internal Update Presentation

In a change to the order of the agenda Cyber Security Internal update was discussed as the next item.

The Deputy Principal and CFO and Vice Principal Quality & Curriculum presented the update.

Governors emphasized the importance of cyber security in audit plans and enquired about how it will be included in the internal and external audit risk plan. It was confirmed that cyber security is one of the top key risks and will feature in the next internal audit however it is not in the current report. Regular checks on cyber insurance and IT disaster recovery were also discussed.

7. Risk Management & Board Assurance Report

The Vice Principal Quality & Curriculum left the meeting.

The report presented the latest risk reports including the Strategic Risk Register and Board Assurance Framework 2023/24; Top Key Risks and propose the revised 24/25 Strategic Risk Register for the next academic year. The report also contained the insurance report update for information.

The Director of Corporate Governance Risk & Compliance advised a new HR tab has been added to the risk management system. The team are exploring software for an audit and risk data dashboard to streamline risk tracking.

The Chair commented on the volume of work which goes on behind the scenes tracking and recording the risks and actions and confirmed that the committee supports the initiative to reduce administrative burdens through this system.

Following a question from the Chair, the Director of Corporate Governance Risk & Compliance gave an update on how the risk register would be updated to remove completed actions. A planned date is to be confirmed and the IT department are reviewing the risks attached. The Chair noted not to underestimate the resource required to implement the new system.

Following a comment, the direction of travel on the strategic Risk Register will be updated.
ACTION

The A&R committee **recommend to Corporation** the revised Strategic Risk Register and Board Assurance Framework 2024/25 (including top risks and Independent Board Assurance)

8. Health and Safety Termly Report (Including H&S Policy)

The termly H&S report was presented to provide the Audit & Risk Committee and Corporation with the Termly Health and Safety report covering accident statistics, security incidents, activities that have taken place during the year to date and to outline how the College has carried out its duty of care regarding Health and Safety.

Discussion on sharing the new policy with staff through internal channels was noted.

The updated policy was **approved for recommendation** to the Corporation.

9. Internal Audit Reports

The Assistant Audit Manager RSM provided detailed updates on internal audit reports. Key points were noted below:

Key Financial Reports - referring to the last item, discussion on good practices and waiver processes was confirmed. The Assistant Audit Manager will look at how other colleges process waivers to compare. **ACTION**

A governor commented that work had started before the contracts were signed and inquired about procedures that the contract management arrangements are in place before the contract is signed. The Director of Finance assured the committee that this was an oversight and confirmed that the contract is signed before the work is completed and the report will be updated. **ACTION**.

Estates - the Committee felt assured there was deeper level of work being conducted with the key findings.

Risk Culture - the importance of staff awareness of risk value was discussed.

Following a governor question, the Assistant Audit Manager confirmed that the number of controls was 13 and the report should be updated.

The reports were noted.

10. Internal Audit Plan 2024/2025

The Assistant Audit Manager RSM presented the internal audit plan for 2024/25.

Discussion on HR audits, learner numbers, key financial controls, and the inclusion of a digital strategy was noted.

A governor asked whether sickness level is a concern. In response, the Vice Principal HR & Student Services advised it would be useful as an assurance level to ensure the process in place are working, however it is important to note that management processes are key.

Referring to the learner numbers audit, **the Deputy Principal and CFO commented** that if a funding audit is not carried out it will be helpful to have a mock internal audit to assist the team.

Following a governor's comment, the Assistant Audit Manager confirmed that digital strategy is not included in the audit plan and was happy to consider the thoughts on whether it should be included. The Chair commented that if there were any emerging risks they can be addressed throughout the year and recommended the audit plan to be approved by Corporation with a view to review digital strategy to offer assurance to the committee.

The Internal Audit Plan 2024/2025 was **approved for recommendation** to the Corporation

11. Financial Statements Audit Plan 2023/24

Bishop Fleming presented the plan and provided an update on onboarding and changes to the audit dates as previously advised. The resignation letter from KPMG was outstanding and being followed up. Governors were advised that once received they will be able to issue the letter of engagement.

An update regarding the changes to the Colleges' Financial Handbook was given, and it was recommended that the college complete a self-assessment to identify the changes. **ACTION**

Discussion on AI's role in internal processes was noted.

The Audit Plan for 2023/24 **approved for recommendation** to the Corporation.

12. Review of Financial Regulations (Verbal Update)

The Deputy Principal and CFO confirmed a review of the financial regulations to ensure alignment with the financial handbook will be completed. An update will be provided at the next meeting in October. **ACTION**

13. Review of A&R Committee Terms of Reference

The revised Terms of Reference was **approved for recommendation** to the Corporation.

14. Confidential

Bishop Fleming and RSM left the meeting.

The Additional Audit work including DfE assurance and review of the Subcontracting Standard Outcome report was shared.

An update on additional work completed by internal and external auditors was provided. The Committee **noted** the contents of the report and made observations on the monitoring information provided.

15. Items for Information

The Management Report on the Implementation of Audit Recommendations 2024/25 was shared and **noted**.

16. Policies

The Incident Management & Business Continuity Plan policy was received. The committee were advised that the policy was approved on BoardEffect to recommend by poll so that it could be presented at the Corporation meeting in June.

For the purposes of the minutes it was confirmed the policy was **approved for recommendation** to the Corporation.

17. Any Other Business

An invitation to brainstorm questions to inform future discussions with the Corporation was extended to members of the A&R committee.

18. Future Dates

- The next meeting is scheduled for Tuesday, 15th October 2024, at 5:00 PM via Teams.

The meeting concluded at 7:15 PM.



Signed by

Dated: 26/11/2024

Amirun Nehar

Chair of Audit & Risk committee