

		<b>AUDIT AND RISK ASSURANCE COMMITTEE (CONFIRMED MINUTES)</b>	
	<b>12 March 2025</b>	Interim Director of Governance Granville Road Sheffield, S2 2RL Tel: 0114 260 2620 Email : <a href="mailto:jean.tracy@sheffcol.ac.uk">jean.tracy@sheffcol.ac.uk</a>	
<b>Venue:</b>	<b>Boardroom, City Campus</b>		
<b>Present:</b>	Matthew Ainsworth (Chair) Sol Miah (via Teams) Paul Senior (via Teams)		
<b>In attendance:</b>	Martin Harrison, Executive Director Finance (EDF) Andrew Hartley, Deputy Chief Executive (DCE) and Executive Director Commercial and Operations (EDCO) Lisa Smith, Risk Assurance Director, RSM UK Risk Assurance Services LLP Stuart McKay, Partner, MHA LLP (via Teams) Jean Tracy, Interim Director of Governance		
		<b>Action</b>	
		<b>by whom</b>	<b>by when</b>
<b>25/1/1</b>	<b>Welcome, introduction and apologies</b>		
1.1	Apologies were received from Professor Sarah Pearson and Adrian Abdulla.		
1.2	The meeting was quorate and started at 16:38.		
1.3	It was <u>agreed</u> that Item 9 – Performance of External Auditors for Financial Statements Audit and Recommendation for Re-appointment would be taken as the last item, noting that members of both audit firms would not be present.		
<b>25/1/2</b>	<b>Declarations of interest</b>		
2.1	There were no new declarations of any potential conflicts of interest.		
<b>25/1/3&amp;4</b>	<b>Consent Agenda Items</b>		
3.1	The committee <u>approved</u> the minutes of the Audit and Risk Assurance Committee and the joint Audit and Risk Assurance Committee and Finance, Employment and General Purposes Committee meetings held on 20 November 2024.		
4.1	The committee considered the action tracker and <u>approved</u> the removal of those flagged as ‘to close’.		
4.2	In relation to Ref. 24/4/8.4 JNT on the action tracker, it was confirmed that going forward the Director of Governance would be responsible		

	for undertaking the annual Register of Interest/Related Party Transaction process for all Governors and relevant college staff and for ensuring that all evidence to support the data was available.		
4.3	The date for completion in relation to Ref. 24/3/10.3 – as to whether a tax avoidance policy was required – was to be amended to align with the end July 2025 date in the commentary.	IDG	ASAP
4.4	The Interim Director of Governance provided an update to the committee on the governor recruitment activity which was currently in progress, including a potential member of Audit and Risk Assurance Committee. It was noted that Governor access to all papers via TeamEngine was not currently possible and thus Ref. 24/1/7.13a would remain behind schedule. The software for Governors' papers was due to be reviewed at the end of the current academic year but would be extended for another year to allow for the permanent Director of Governance to take this forward.		
4.5	The External Assurance Summary (Ref. 24/3/8.3) would be included as an agenda item at the next meeting.	EDF/D G	18.06.2025
	<b>SUSTAINABILITY</b>		
	<b>Commissioning Assurance:</b>		
<b>25/1/5</b>	<b>Strategic Risk Register update &amp; Risk Assurance Map Summary</b>		
5.1	The Executive Director Finance (EDF) presented the report, informing the committee that the Strategic Register had been reviewed and risks mapped to the college strategy 2025/2030. Two new risks had been entered, the detail as per the report.		
5.2	The changes to risk scores were noted, and that the focus was on resolving issues which had resulted in an increase in risk.		
<b>25/1/6</b>	<b>Internal Audit and External Audit: progress report on completion of recommendations and management actions</b>		
6.1	The EDF presented the report on progress against the management actions previously agreed for both internal and external audits.		
6.2	In relation to the internal audit recommendations, the committee noted the request to extend the deadline regarding the Follow Up 2023/2024 – Estates PPM. The request was to allow for more time to recruit to the role and to embed them in the team to work on contracts.		
6.3	The committee considered the report, noting that the VAT review had taken place. The EDF confirmed that the college was taking advice and that the matter would be considered by Finance, Employment and General Purposes (FEGP) Committee.		

6.4	<p>The committee:</p> <ul style="list-style-type: none"> <li>• <u>received</u> the report</li> <li>• <u>noted</u> the progress made</li> <li>• <u>approved</u> the completed actions</li> <li>• <u>approved</u> the extension to the deadline for the Follow Up 2023/2024 Estates PPM to July 2025</li> </ul>		
	<b>Receiving Assurance:</b>		
<b>25/1/7</b>	<b>Internal Audit Progress Report</b>		
7.1	The RSM Risk Assurance Director (Internal Audit) presented an update on progress against the internal audit plan 2024/2025. The report included information on the reports which had been finalised since the meeting in November 2024, confirmation that all remaining fieldwork dates had been agreed with management, and on a number of briefings issued to management. It was noted that there had been no changes to the internal plan for 2024/2025.		
7.2	The committee <u>received</u> the report, welcomed the progress reported, the assurance provided and the <u>confirmation</u> that no changes had been made to the Internal Audit Plan for 2024/2025.		
	<b>Internal Audit Reviews</b>		
7.3	The RSM Risk Assurance Director (Internal Audit) presented the final internal audit report on Learner Support Funding. The review confirmed that the college had appropriate processes and procedures in place in relation to the administration, monitoring and reporting of the 16 to 19 Bursary Fund and three meals in further education and no findings or actions had been identified. The board could take substantial assurance the at the controls upon which the organisation relied to manage this risk were suitable designed, consistently applied and effective.		
7.4	The RSM Risk Assurance Director (Internal Audit) presented the final internal audit report on Refectory – Key Financial Controls, the audit having been specifically requested by the College. The review confirmed that the board could take partial assurance, and that action was needed to strengthen the control framework to manage the identified risks. The committee considered the 2 high priority, 4 medium and 3 low priority actions detailed in the report, and noted the management actions against each.		
7.5	The committee noted that the management actions would be completed and that a follow-up audit would be undertaken as part of the normal process. The usual college checks would also continue.		
7.6	The RSM Risk Assurance Director (Internal Audit) presented the final internal audit report on Higher Education – OfS Conditions of Registration. The review confirmed that the college had appropriate		

	processes and procedures in place in to monitor and review compliance to ensure that it was not in breach of the OfS Conditions of Registration. The board could take substantial assurance the at the controls upon which the organisation relied to manage this risk were suitable designed, consistently applied and effective. No management actions were identified.		
	<b>Managing Assurance Providers</b>		
<b>25/1/8</b>	<b>ESFA Audit Code of Practice</b>		
8.1	The committee was informed that an update to the ESFA Audit Code of Practice for 2025 had not yet been received, the usual publication date being in May, and that it was expected that the DfE would issue a similar document as it took over the ESFA functions.		
	As agreed, Items 10, 11 and 12 would be taken as the next item, the minutes being recorded in the order of consideration.		
<b>25/1/10</b>	<b>Control Environment for Outstanding College</b>		
10.1	It was <u>agreed</u> that a proposal for further piece of work would be presented at the next meeting on the plan, noting that discussions were taking place by the wider Executive Team.	EDF	18.06.2025
<b>25/1/11</b>	<b>Review of meeting</b>		
11.1	The committee reviewed the meeting and a member of the Committee asked whether there should be a separate agenda item regarding safeguarding. The Chair noted that feedback from the Safeguarding Board was made to the Governing Body and that any risks identified at the Safeguarding Board would be brought to the ARA Committee.		
11.2	The Health and Safety Link Governor wished to inform the committee that the Health and Safety Committee meeting which had taken place earlier that day had been very positive. It was noted that reports were provided to FEGP Committee.		
<b>25/1/12</b>	<b>Date and time of next meeting</b>		
25.1	The Chair informed those present that the meetings for 2025/2026 would take place on Mondays, 08:30 to 10:30, with the exception of the joint ARA/FEGP meeting in November. Details would be provided at the Governing Body meeting in March 2025, and to the committee at its meeting in June.		
25.2	After discussion, it was <u>agreed</u> that the June meeting of the ARA Committee would be held on 18 June 2025, as per the original schedule.		
	The Chair thanked the members of the audit firms, who then left the meeting. (18:01)		

25/1/9	Performance of External Auditors for Financial Statements Audit and recommendation for Re-appointment		
9.1	The committee considered the report, as presented by the EDF. It noted details on the assessments against ability, performance and engagement and that all had been met. The EDF confirmed that the fees were in line with what had been proposed at the original tender.		
9.2	The Committee <u>confirmed</u> its satisfaction with the performance of the external auditors.		
9.3	Having considered the report, the committee <u>agreed</u> to recommend approval to the Governing Body of the re-appointment of MHA LLP as the Financial Statements Auditors for the financial year 2024/2025, the fees being as previously agreed.		
	The meeting closed at 18:08.		