Minutes
Audit & Risk Committee
Governance 2024-2025

Date	02/12/2024	
Time	16:30 - 18:00	
Location	Microsoft Teams	
Present	Vincent Neate	Chair
	Simon Boulcott	Governor
	Mario Michaelides	Governor
	Keith Smith (KS)	Ex-Officio, CEO
	Dylan McTaggart (DM)	Group Principal
	Shane Woodhatch (SW)	Chief Financial Officer
	Alex Denley (AD)	Chief Technology Officer
	Julie Amory (JA)	Chief People Officer
	Anna Beattie (AB)	Director of Finance
	Gavin Hughes (GH)	Richmond upon Thames College Principal
	Clive Hodge (CH)	Harrow College Principal
	Mark Brough (MB)	Director of Estates and Facilities
Absent	Paul Miller	Vice-Chair
	Nasim Khan (NK)	Governor
	Sofia Barbosa-Boucas (SB-B)	Governor
Clerk	Perry Perrott	
Note Taker	Nataliia Tymkiv	

Agenda

1 - General disclaimer statement at start of meeting:

The meeting was recorded for the purpose of minuting.

2 - Apologies for absence

Noted from Paul Miller, Nasim Khan and Sofia Barbosa-Boucas.

3 - Declarations of Interest

It was noted that one declaration of interest was received from the Chair of Governors, Nick Davies for Nepal trip, which would be formally documented for the Full Corporation meeting.

4 - Minutes of the last meeting dated: 11 September

Minutes approved without amendments.

5 - Actions from last meeting

All previous actions were addressed and incorporated into the current agenda.

6 - H&S Annual Report 2023/2024

6.1   MB presented the Health and Safety (H&S) Annual Report for 2023/2024, outlining key priorities and achievements in maintaining a safe and compliant environment across all HRUC campuses.

6.2   **The following key points were covered:**

   a. Fire safety emerged as a primary area of focus, with regular fire drills conducted and equipment maintained across sites.

b. The environmental management audit for ISO 14001 compliance was successfully completed with a 93.6% compliance rate. Immediate actions were taken to address any identified issues.

c. First aid coverage remains a critical area, with 52 certified first aiders currently in place. However, additional recruitment is planned, supported by a financial incentive for participating staff.

6.3   MB highlighted the need for further work on health and safety culture and engagement, with plans to address this through internal and external audits.

6.4   KS raised concerns about the lack of engagement and buy-in to the health and safety culture, suggesting that staff use additional Christmas leave days to complete mandatory training.

6.5   KS also questioned whether the report adequately addressed cultural risks related to health and safety engagement, referencing a specific risk statement in the report. MB acknowledged that while general compliance has improved, there remain pockets of resistance where staff engagement in safety protocols is inconsistent.

6.6   KS emphasised the distinction between non-compliance in training and broader cultural challenges.

6.7   It was noted that the report should clarify that the "lack of engagement" referred specifically to training compliance, not a broader cultural issue.

6.8   SW added that significant improvements had been made over the summer through inspections, fire risk assessments, and improved safety protocols, with positive feedback from Ofsted. However, SW agreed that the report should better distinguish between training compliance and broader cultural engagement.

6.9   MM sought clarification on whether the reported "lack of engagement" referred solely to staff failing to complete mandatory e-learning modules or indicated a broader cultural issue. MB explained that the concern primarily related to incomplete training records due to some staff missing deadlines, not an overall cultural resistance. MB acknowledged, however, that there were isolated instances of disengagement in high-risk areas like workshops.

6.10   VN requested that Director of Health and Safety (DoHS), present a comprehensive report, focusing on engagement strategies, compliance measures, and overall safety culture findings at the next Audit & Risk committee meeting.

ACTION 1	**Recruit more first aiders and conduct additional training courses.**	**MB, SW**	**Ongoing**
ACTION 2	**Align training portals across campuses for consistency.**	**MB, SW**	**12/03/25**
ACTION 3	**Present a comprehensive report on health and safety findings at the next audit committee meeting.**	**DoHS**	**12/02/25**
ACTION 4	**Ensure that all future reports distinguish between training compliance and cultural engagement.**	**MB, SW**	**Ongoing**
ACTION 5	**Ensure and report back to confirm that all areas of staff disengagement have been dealt with and resolved.**	**MB, SW**	**12/03/25**

7 - Safeguarding Annual Report

7.1   GH introduced the Safeguarding Annual Report 2023/24, which was shared with Governors prior to the Ofsted inspection. The report covered safeguarding data from the previous year, highlighting key categories such as domestic violence, child sexual exploitation, mental health, neglect, and criminal exploitation.

7.2   There were 107 serious cases and approximately 900 secondary cases. The college had just under 500 looked-after children and over 500 students with mental health issues.

7.3   GH detailed the outcomes of the previous safeguarding audit conducted in March, which identified improvements needed in the Single Central Register. After implementing corrective measures, a follow-up

audit confirmed full compliance. This positive result was later validated during the Ofsted inspection, which declared safeguarding practices "effective."

7.4   SB inquired about benchmarking the HRUC's safeguarding data against national figures. GH explained that while national benchmarking was challenging, efforts would be made to explore potential comparisons with other London colleges.

7.5   VN questioned whether the safeguarding report captured both known vulnerable students and incidents involving students not previously identified as vulnerable. GH clarified that every recorded safeguarding incident, regardless of the student's prior risk classification, was included in the report. GH further emphasised that if an incident occurred involving a previously unidentified student, they would immediately be added to the safeguarding register and receive appropriate support, ensuring comprehensive safeguarding coverage.

ACTION 6	Future safeguarding reports clearly distinguish between ongoing case management and new incidents involving previously unidentified students.	GH	Ongoing
ACTION 7	Explore potential comparisons of safeguarding data with other London colleges.	GH	Ongoing

8 - Security Update on Risk

8.1   The discussion on security focused on the operational update on the deployment of the new security provider, Portal Security, which began service on October 1, 2024.

8.2   The transition was deemed successful, with staff receiving comprehensive training, live testing, and motivational programs. However, procurement challenges were uncovered during the final stages of the contract award, revealing that legal some processes post-award were not conducted. As a corrective measure, legal advisors revised contract terms, with formal signing expected by the 16th of December 2024.

8.3   The onboarding process for the contract with Portal Security was compliant and completed in a timely manner with positive feedback from Ofsted on College's safety.

8.4   The discussion highlighted the need for a sustainable and robust procurement process. An interim procurement manager has been assigned to undertake a comprehensive audit of past and pending contracts, ensuring adherence to the revised Public Contracts Regulations 2015. A procurement strategy and plan are expected by the end of January, with actions to be implemented from February onwards. The new Procurement Act, enforceable from February 2025, will require adherence to new requirements, particularly regarding public sector contract management.

8.5   VN challenged about the reactive discovery of procurement issues, cautioning against potential systemic flaws in contract management. VN emphasised the imperative of a proactive procurement governance framework that pre-empts risks through stringent oversight. SW assured the committee that the procurement review would extend beyond individual contracts, encompassing procurement policies, contract registers, and future tenders to ensure long-term regulatory compliance and operational integrity.

ACTION 8	The formal signing of the Portal Security contract, revised after legal review, was prioritised and expected to be completed within one week following the meeting.	SW	09/12/24

ACTION 9		PROCUREMENT PRACTICE	SW	
	9.1	Review and assess current procurement practice in relation legislation and best practice and any gaps or areas for improvement reported upon for consideration by next A&R.		12/03/25
	9.2	Develop a procurement strategy and plan by the end of January 2025.		31/01/25
	9.3	Implement actions from the procurement strategy starting from 21/03/2025.		21/03/25

9 - ACOP Annual Report

GB, an auditor from Cooper Parry presented the external audit findings for the year ending July 31, 2024 and these are some of the abbreviated findings:

9.1   HRUC's financial performance showed a total income of £85 million against total expenditure of £82.6 million, resulting in an operating surplus of £2.2 million. After factoring in a £528,000 negative adjustment related to

the Local Government Pension Scheme valuation, the net financial surplus amounted to £1.7 million. This increased the HRUC's total net assets from £137 million to £138.9 million.

9.2 GB confirmed that both the financial statement and regularity assurance opinions were unqualified, indicating a clean bill of financial health.

9.3 The audit team identified no issues in the five key risk areas outlined at the beginning of the audit, including income recognition, payroll accuracy, pension liabilities, and compliance with financial regulations. All areas received positive ratings, with no modifications or qualifications required.

9.4 Additionally, GB confirmed that seven prior-year audit recommendations had been fully resolved, leaving only two ongoing points related to asset management. GB emphasised that no audit-driven corrections were necessary, with the only adjustments resulting from routine late management entries for accruals and prepayments.

9.5 One new recommendation arising from the audit this year was concerning the Declaration of Interests by Governors. The audit cross-checked declarations with public records and found instances where relevant directorships and trusteeships were not disclosed. GB recommended expanding disclosure practices to include all relevant roles, regardless of their perceived transactional significance.

9.6 In response to a Governor's query, it was clarified that previous disclosure practices, as followed by 'AoC Code of Good Governance' required only "relevant" directorships and trusteeships to be declared, but future declaration policies would mandate full disclosure of all such positions, with cross-checks conducted against public records like Companies House confirming that this enhanced reporting standard would be implemented, following best practices set by the Financial Reporting Council (FRC).

9.7 The committee discussed and challenged the incomplete fixed asset register for Richmond College, noting delays due to the ongoing STEM building project and pending evaluations of specialised equipment.

9.8 The committee was assured that a comprehensive asset inventory was completed in October 2024, with the completion of register expected by the end of December 2024.

9.9 SW added that the financial regulations should be submitted by the end of the current calendar year, ensuring compliance with reporting deadlines (subject to final reviews).

9.10 GB emphasised the importance of maintaining a fully reconciled, centralised asset register, noting that its absence in previous audits was a critical issue. It was recommended to implement a digital asset management system to enhance financial transparency and compliance. Additionally, it was advised to conduct a thorough review of the register to remove outdated or zero-value assets to reduce administrative overhead.

9.11 The chair noted that the financial aspects would be discussed in detail at the Finance and Resources meeting and thanked GB for the presentation.

ACTION 10	The finance team to complete the fixed asset register for Richmond College by the end of December 2024.	SW	19/12/24
ACTION 11	The governance team will implement a stricter declaration policy, requiring governors to disclose all directorships and trusteeships, regardless of relevance.	PP	12/03/25

RESOLUTION	The financial statements and regularity assurance for the year ending 31st July 2024 were reviewed and found to be unqualified, indicating a clean bill of health.

10 - Risk Register Review

10.1 The committee reviewed the college's risk management framework, focusing on both the Technology Risk Register and the Main College Risk Register.

10.2 AD presented the Technology Risk Register, explaining its structure and the college's approach to risk tracking and mitigation through the newly implemented QHub platform. AD outlined seven key technology-related risks, including IT service failures, system resilience, and infrastructure vulnerabilities. Each risk was supported by detailed descriptions, risk triggers, and contingency plans.

10.4	VN commended the structured approach while stressing the need for continual updates and visibility into evolving risks.

10.5	SB asked questioned how significant changes in risk status would be communicated. In response, it was confirmed that QHub includes automatic notifications to relevant staff and committee members when a risk's status escalates from "Amber" to "Red" or changes in severity.

10.6	During Main College Risk Register discussion, it was noted that a full integration of key operational risks into QHub was still in progress.

10.7	The committee resolved to fully integrate the 14 risks identified by the curriculum team into the QHub platform by January 2025. Each risk will have an assigned owner, specific triggers, and mitigation plans, ensuring clear accountability and proactive management.

10.8	The integration will consolidate these risks into a single, centralised Risk Register visible to all governance committees, enabling real-time tracking through an interactive dashboard. Automated alerts will notify relevant stakeholders of any changes in risk status, ensuring timely responses. Regular updates from Internal Governance Boards will be reported to senior management and reviewed by the Audit & Risk Committee, fostering transparency, accountability, and continuous risk management oversight.

10.9	KS added that the college's Internal Governance Boards would play a critical role in overseeing specific risks, ensuring that risk ownership and accountability are clearly defined across different operational areas.

10.10	VN reiterated the importance of ensuring that the system is regularly updated and that key risks are clearly reported at future meetings.

10.11	The committee also requested a training session on how to navigate QHub for greater familiarity and usability.

ACTION 12	Integrate the 14 identified main college risks into the QHub platform by January 2025, with detailed descriptions, assigned risk owners, mitigation plans, and escalation procedures.	DM	12/03/25

ACTION 13	Organise a QHub training session for committee members and relevant staff.	PP	12/03/25

11 - Internal/External Audit Update

11.1	The internal/external audit update was presented by AD and SW.

11.2	AD discussed various technology audits, including identity fabric, penetration and vulnerability scanning, and cybersecurity assessments. The focus was on risk mitigation, operational excellence, and strategic agility.

11.3	The external audit conducted by Cooper Parry and the subcontracting audit by KPMG were also discussed.

11.4	The subcontracting audit highlighted two recommendations, but it was noted that the college no longer relies on subcontracting.

11.5	Upcoming audits will focus on:

    i.   Space utilisation
    ii. High needs provision
    iii. Compliance with the participation plan with OFS

11.1 - Internal Auditor Job Description

SW provided an update on the recruitment process for internal auditors, mentioning that recruitment process is being conducted.

RESOLUTION	The committee resolved that the internal audit function will maintain its independence with a preferred reporting structure to be confirmed.

ACTION 14	Complete the recruitment process for internal auditors.	SW, PP

12 - Declaration of Whistleblowing and Bribery Act Incidents Annual Report

There were no declarations of whistleblowing or bribery incidents outside of the annual report, which was submitted for information.

13 - CONFIDENTIAL SECTION

This section was not recorded due to confidential nature.

14 - Any Other Urgent Business (AoUB)

No other urgent business raised.

15 - Dates of the next meetings

The dates for the next meetings were confirmed as follows:
- 12th March 2025 at Harrow on the Hill
- 25th June 2025 at Uxbridge College