

AUDIT AND RISK MANAGEMENT COMMITTEE

Minutes of the hybrid meeting held on 16 June 2025 at 4.30pm

Present physically at WSC: J Wakelam, WSC Governor, **Vice Chair**
K Chapman, WSC Governor, **Chair**
S Mason, RSM

Present virtually: H Nydam, Committee member
M Searcey, WSC Governor
P Frazer-Gale, Committee member
R Cannon, WSC Governor
R Hetherington, WSC Governor

In attendance: A Brewster, Group Head of Finance
A McGarel, CFO
L Carroll, Group Head of Project Accounting, Risk and Transformation
L Cox, Scrutton Bland
N Savvas, CEO
S Gales, Governance Professional
S Hope, Group Director Compliance

Apologies: J Gazzard, WSC Governor

Absences:

1. Declaration of Interests and Apologies for absence

J Wakelam declared her role as a Trustee and P Frazer-Gale declared his role a Committee member of Eastern Education Group Trust. No conflicts of interest in relation to the items of the agenda were declared.

Apologies were accepted from J Gazzard.

2. Minutes of the meeting held on 24 February 2025

The minutes of the meeting held on 24 February 2025 were **agreed** as an accurate record.

The Governance Professional **noted** that pursuant to the decisions taken by the Corporation at its extraordinary meeting on 7 March 2025, the Audit and Risk Management Committee now have delegated authority for:

- authorisation of expenditure for services provided to and/or from EEGT and WSC
- reviewing and recommending to the independent Board's the annual value for money report, of services provided to and/or from EEGT and WSC
- reviewing and recommending to the independent Board's the writing-off of debts owing to and/or from EEGT and WSC
- reviewing and recommending to the independent Board's any franchising, companies and joint ventures between EEGT and WSC

and the Committee's terms of reference has been updated to include additional responsibilities and delegated authorities.

3. Matters Arising from meeting on 18 November 2024

All of the matters arising from the previous meeting were complete or closed.

4. Risk Management Update

Members received and considered the proposed new Risk Register which includes **1 red, 12 amber, 9 yellow** risks, with four new proposed risks. L Carroll explained the rationale to the proposed new risks and for the changes to risk names and/or scores.

Members commended the strong and clear report.

Action

Members discussed WSCR006 (relating to growth case funding) and noted that this risk has been downgraded as the DfE have now confirmed the funding allocation.

Members discussed the proposed downgrading of EEG004 (relating to a poor Ofsted outcome) and the proposed replacement with a new Trust-only risk, and queried if, given our Group model, the risk to WSC is sufficiently mitigated for this to be a Trust-only risk. The CEO explained that due to our Group model, any downgrading would mean we rebalance our leadership capacity to support though noted any downgrading would likely not impact student numbers at WSC. Members asked the Executive to consider this risk further.

Members discussed the recent assault of a member of staff at our University and Professional Development campus and queried if this represents an emerging risk. The CEO advised that this was an isolated incident rather than emerging trend and noted this is an exceptional occurrence which he had not experienced in his tenure as CEO of the college. The CEO advised that assaults on staff is more of a concern in the Trust at the SEND schools.

Members discussed EEGT019 (relating to SEND admissions) and the feedback of the Primary Educational Excellence Committee. The Governance Professional summarised the discussions of the Committee and their response.

Members discussed WSC001 (relating to HE enrolments) and reflected that both the Finance Committee and Apprenticeship and HE Educational Excellence Committee recommend that it remain rated red. Members **agreed** the red risk rating and confirmed the Committee will continue to closely monitor this risk. Members of the Apprenticeship and HE Educational Excellence Committee fed back that a new HE growth strategy has been developed.

Members discussed and **agreed** the proposed new risks.

Members **agreed to recommend the Risk Register to the Corporation.**

5. **Audit Recommendations Tracking Report**

Members received and considered the tracking report which shows that of the 27 ongoing recommendations, of these 7 are partially complete and 1 has not been implemented.

Members discussed the medium risk recommendation relating to the internal audit of IT Infrastructure in 2021/22 and noted this was complete for WSC, ASFC and OSFC, but has not yet been completed for the SEND and Primary schools which joined the Group w.e.f. September 2024. Members suggested that the Executive consider whether to close this recommendation given it has been implemented for the Group as it was when the internal audit was undertaken.

6. **Internal Auditor's Findings report(s):**

i. **Progress report and Final Follow-up Report**

Members received and considered the reports and L Cox summarised the reports.

ii. **Artificial Intelligence**

Members received and considered the report from the internal audit which took place in April 2025, with six low risk recommendations. L Cox summarised the report.

The Chair informed that governance members participated in a challenging and thought provoking AI workshop run by the Executive, with student participation, as part of their Strategic Conference.

Members queried why this was an advisory rather than assurance report. L Cox explained that this is an emerging area for auditing hence the advisory rating. Members queried how WSC's approach to AI compares to other colleges audited. L Cox explained that there is a variety across the sector reflecting early vs. later adopters.

Executive

Executive

Members asked for a copy of the AI governance paper referenced in the report. L Cox to provide to Governance Professional to circulate.

L Cox

iii. Business Continuity Management

Members received and considered the report from the internal audit which took place in May 2025, with a grade of **significant assurance** with two medium and three low risk recommendations. L Cox summarised the report.

Members discussed the recommendations.

Members noted the typo on page 2, bullet 2 refencing 'Abigail School' rather than ASFC.

Members commended the report and suggested we review this area again in the future.

iv. Cash, Electronic Payments, Income and Debtors

Members received and considered the report from the internal audit which took place in February 2025, with a grade of **significant assurance** with three low risk recommendations. L Cox summarised the report.

L Carroll advised that the new Group finance system will enable the implementation of many of these recommendations.

v. Environmental and Social Responsibilities

Members received and considered the report from the internal audit which took place in March 2025, with seventeen suggested areas for consideration and improvement. L Cox summarised the report.

L Cox advised that the suggestions are advisory and not formal recommendations, and advised that, due to the college's proactive approach to sustainability, our approach was more established and defined which enabled them to make more suggestions – rather than it indicating the college's approach is inappropriate.

Members discussed the importance of sustainability to our community and students and queried whether students seek more information about our sustainability initiatives – e.g. travel policy. S Hope answered this.

vi. Income Diversification and Business Development

Members received and considered the report from the internal audit which took place in April 2025, with three low risk recommendations. L Cox summarised the report.

Members discussed recommendations 1 and 2 and noted that these incomes in context total income/expenditure of the college are minimal, so can be reported by exception as part of the annual accounts.

vii. Maths and English

Members received and considered the report from the internal audit which took place in December 2024, with a grade of **significant assurance** with three low risk recommendations. L Cox summarised the report.

Members discussed recommendation 1 and the need to analyse student's maths and English skills early with creating a welcoming environment for new students.

Members discussed the 'significance' section on page 11 relating to the changing conditions of funding for maths and English.

viii. Month End Procedures and Control Account Reconciliation

Members received and considered the report from the internal audit, though did not discuss this as it was scrutinised at the last meeting.

7. Internal Auditors plan for 2025/26

Members received and considered the report provided and L Cox summarised the plan.

Members noted the typo on the column title on pages 8 to 11 and asked for this to be amended to 2025/26.

Members queried how the proposed total audit days in 2025/26 compares to the total in 2024/25. L Cox advised that a total of 43.7 days was proposed in the 2024/25 audit scope, compared to this (2025/26) audit scope of 49.25 days.

Members discussed the proposed new value for money audit and queried the audit scope. L Cox advised that the scope will be discussed with the Executive and will align to the Treasury's managing public money and DfE's FE Financial Handbook guidance.

Members **agreed** the Internal Auditor's Proposed plan of works for 2025/26 and **agreed to recommend** it to the Corporation, subject to the amendment above.

8. **External Auditors plan for 2025/26**

Members received and considered the report provided and S Mason summarised the plan.

Members discussed that the review of the property strategy is to ensure a fair and proper accounting.

Members **agreed** the External Auditor's Proposed plan of works for 2025/26 and **agreed to recommend** it to the Corporation.

9. **GDPR update**

Members received and considered the report provided and S Hope summarised the key information including the number, type and cause of data breach; as well as details of the subject-access requests and freedom of information requests received, and the overall staff completion rate of the mandatory data protection training.

Members queried how the data for this period compares to the date for the same period last academic year. S Hope advised that the numbers this period are slightly higher than last year, however advised that this shows that the training is working and staff are disclosing breaches.

Members queried whether new joiners are trained in GDPR. S Hope informed that they are.

10. **Data Returns compliance report**

Members received and considered the report provided. The Governance Professional summarised the key information and informed that items not yet complete relate to deadlines in the future and compliance will be reported as part of the external audit process which is reported to this Committee.

11. **Incident Management update**

Members received and considered the report provided and L Carroll summarised the key information of the report.

Members discussed the actions underway to improve security and restrict access to our front of house / car park areas, in response to incidents within the report.

12. **Policies**

There were no policies requiring approval.

13. **Any Other Business**

- **Extraordinary Committee meeting to review related party transaction (RPT)**

The CFO informed that we need to convene an extraordinary meeting to discuss a proposed amendment to our RPT agreement with the Trust. Members agreed to convene on Tuesday 24 June 2025 at 4pm online.

- **Appointment of External Auditors**

The CFO informed that procurement have conducted a request for quote exercise with external auditors to benchmark costs and advised that the tenders are now ready for the Committee to review, in readiness for the Committee to recommend the appointment to the Corporation. Members agreed to discuss on Tuesday 24 June 2025 at 4pm online.

The meeting closed at 6.23pm