![Institute for Apprenticeships logo] **INSTITUTE FOR APPRENTICESHIPS**

MINUTES

AUDIT AND RISK ASSURANCE COMMITTEE

Meeting Title	Audit and Risk Assurance Committee (18 December 2017)
Date of Issue	12 January 2018
Protective marking	███████████

1. Welcome and introductions

1.1. The Chair, Toby Peyton Jones welcomed Sir Gerry Berragan in his new capacity as Chief Executive of the Institute, along with Stephanie Darroch from the Department for Education Finance Division.

2. Minutes and actions

2.1. The Committee reviewed the minutes and actions of the last meeting and there were no amendments. The Chair requested an update on outstanding action number 5, on the terms of reference for the SRO for the transformation project. The Executive confirmed that Ana Osbourne would be the SRO for the programme. The Chair agreed that the action could be closed.

3. NAO audit plan

3.1. The Committee received a paper on the NAO's audit plan for the Institute. The NAO outlined their view of the Institute's risks which form the basis of the audit plan focusing on two key areas: the accounting systems being used to produce the first set of accounts and the presumed risk of fraud.

The NAO discussed the nature and level of the audit to be undertaken. The Executive confirmed that the evidence for the audit was being prepared and a timetable was being agreed with the NAO.

3.2. The NAO confirmed that the Institute's accounts would be rolled into the DfE consolidated accounts. The Chair asked about the timeframe for completion

of the accounts. The NAO confirmed that the accounts would need to be finalised with the Executive and the DfE, ideally before summer recess subject to other audits.

4.   Finance Update and Assurance Framework

Items 4 and 5 of the agenda were received together by the Committee.

4.1. The Committee received an update on the Institute's finance position.

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4.2. The Committee discussed the flexibility between the programme and admin budgets and the need to ensure correct classifications of spend. The Executive confirmed that the split between admin and programme in the original budget profile had been incorrect but programme reclassification was being sought following Treasury guidelines, to correct this and to ensure the Institute does not breach it's budget for either category. The Executive confirmed that a Service Level Agreement had not yet been drawn up with the DfE for the provision of finance and IT services. Some costs for services from the DfE were still not clear to the Institute and this has affected forecasting work.

4.3. ██
██ The Executive confirmed that the Institute had manually tracked back all travel and subsistence expenditure to date. There was more work to be done on payroll as the nature of data received via SSCL had changed and so the Institute needed to complete a reconciliation.

4.4. ██
████████████████████████████████████ A Finance Business Partner was spending 80% of their time providing support to the Institute and this support would continue for the next 3 months (Jan – Mar 18). It was agreed that a DfE representative would attend all future Committee meetings.

4.5. ██
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4.6. ██
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Action 2 (4.4) A DfE representative to attend all future Committee meetings.

4.7. The Committee received a paper on the development of the Institute's assurance framework and a draft framework for discussion. The Executive confirmed that the next step would be to upskill Deputy Directors on the framework.

4.8. The Committee advised the Executive to keep the framework simple and to ensure outputs and trend analysis are visual, whilst linking to the Institute's risks.

5. **External Quality Assurance (EQA) internal audit report**

5.1. The Committee received a paper from Government Internal Audit Agency (GIAA) on their findings following their internal audit of the Institute's EQA process.

5.2. Howard Grieves, from GIAA explained that the audit had focused on the in-house EQA process being operated by the Institute. ██████████████████ ██

5.3. The Executive explained that the audit was of the in house process at its early stages and that it is now more robust. The Institute's EQA had been contracted out to an organisation called "Open Awards."

5.4. ██
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5.5. The Committee asked about the role of Institute as an EQA provider going forward. The Executive said that for some smaller standards there are no other organisations which can provide EQA. The Institute should make some

provision for EQA as long as its value for money and done via the third party effectively.

5.6. The Committee asked if there was an independent scrutiny of EQA. The Executive explained that was the role of the Quality Assurance Committee.

6. Review of Institute procedures

(a) Appeals procedure

6.1. The Committee received a paper on the review of the appeals procedure for trailblazers. The Executive explained the focus of the review had been to clarify and simplify the appeals process.

6.2. The Committee advised the Executive that clear communication of the grounds for appeal would be important to ensure trailblazers understand the difference between complaints and appeals.

6.3. The Committee reviewed the timeframe within which an appeal could be submitted. ██ ██ ██ ███████████████████████████

6.4. The Executive confirmed that the revised procedure would be uploaded to the website and this communicated to staff.

(b) Complaints procedure

6.5. The Committee received a paper on the Institute's review of the complaints procedure. The Executive explained that no formal complaints had been made where the procedure would apply. The majority of concerns raised to the Institute were on issues outside of it's remit (and these had been referred on to other agencies to deal with, such as the Education Skills Funding Agency). Other complaints, for example about a delay to a standard) had been resolved informally without the need to use the formal complaints procedure. Feedback from complaints raised was also being used for continuous improvement and insight.

6.6. The Committee reviewed the paper and agreed that the addition of an informal stage of the procedure was helpful and that better signposting to other agencies should be provided on the website so that people know where to direct their complaints to. The Executive highlighted that the revised complaints procedure would be loaded onto the website.

6.7. The Committee discussed the need to review stakeholder insights to inform views and ensure the Institute provides good customer service. The Executive confirmed insights information would be collated and brought back to the next Committee meeting.

Action 5 (6.7) A customer insight report to be tabled at the next Committee meeting.

(c) Procedures flowchart

6.8. The Committee reviewed the procedures flowchart and welcomed a more visual approach. The Committee advised the Executive to produce a separate flowchart for staff and for external stakeholders going forwards as different policies will be relevant to them.

Any Other Business

6.9. The Committee reviewed the Institute's risk report and welcomed this, asking for more time to review at future meetings. The Chair agreed that risks would be a standing item on future agendas.

Next meeting date

6.10. The next Audit and Risk Assurance Committee meeting will take place on Tuesday 13 March from 11:00-13.00 in 151 Buckingham Palace Road, London.

Author	█████████
Date created	22 December 2017
Version	Cleared by the Chair, Toby Peyton Jones