# AUDIT AND RISK MANAGEMENT COMMITTEES
# HARTPURY UNIVERSITY AND HARTPURY COLLEGE

## Minutes
## 10am Tuesday 11th November 2025
## Gordon Canning Room & Teams



| Members | University Audit Committee | College Audit Committee |
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| Lucie Hammond | Present (Chair) | Co-opted Member - Present |
| Ian Robinson (Professor) | Present | Present - Co-opted Member) |
| Robert Brooks | Present | Present - Co-opted Member) |
| Patrick Brooke | Co-opted Member - Present | Present (Chair) |
| Barbara Buck | Co-opted Member - Present | Present |
| Alastair Grizzell | Co-opted Member - Present | Present |
| Clive Stainton (until 11.30am) | Co-opted Member - Present | Co-opted Member - Present |
| **In Attendance** | | |
| Mick Axtell | Present (Chief Operating Officer) | Present (Chief Operating Officer) |
| Gillian Steels | Present (Clerk to the Board) | Present (Clerk to the Board) |
| Jason Smerdon | Present (Director of Finance) | Present |
| Sean Allen | Present (Head of Finance Operations) | Present |
| Mike Collier (Doctor) | Present (TIAA) | Present (TIAA) |
| Andy Collop (Professor) (absent 10.20-12noon for Remembrance service) | Present (Vice-Chancellor) | Present (Principal) |
| Jon Marchant | Present (Forvis Mazars) | Present (Forvis Mazars) |
| Carol Davey | Present (Forvis Mazars) | Present (Forvis Mazars) |
| Mark Lumsdon Taylor (from 10.10am) | Present (MHA) | Present (MHA) |

| | | ACTION & DATE |
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| | **Key Decisions and Items Discussed** | |
| | **External Audit Report and Financial Statements** all Hartpury entities – all unqualified opinions. No issues raised and smooth audit process confirmed. The A&RMCs RECOMMENDED the Financial Statements to the Board for Approval.<br>**Management Letter** – Responsibility of all governors highlighted - "We confirm as Members of the Board of Governors that we have taken all the necessary steps to make us aware, as Members of the Board of Governors, of any relevant audit information and to establish that you, as auditors, are aware of this information."<br>Internal Audit Annual Report – unqualified opinion. | |

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| | **Internal Audit Annual Plan – MHA – APPROVED.**<br>**Agreed Areas:** Strategic Planning, Student Experience, Learner Number Records, Cyber Security, Managing Outsourcing, Key Financial Controls | |
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| **ARM01/11/25** | **Welcome, Apologies & Confirmation of Quoracy**<br>Attendees were welcomed to the meeting.<br><br>Apologies noted as above.<br><br>It was confirmed that the University Audit and Risk Management Committee and the College Audit and Risk Management Committee meetings were quorate.<br><br>The additional items on the agenda relating to items to highlight to Board and identification of any risk items were clarified as formalising existing practice relating to the Committee Chair reporting to Board. | |
| **ARM02/11/25** | **Declaration of Interest.**<br>The Clerk advised that members' interests would be taken as those disclosed in the Register of Members Interests. | |
| **ARM03/11/25** | **Minutes of the Meetings – 26th June 2025**<br>The minutes of the University Audit and Risk Management Committee and the College Audit and Risk Management Committee 26th June 2025 meetings were **APPROVED** as true records. | |
| **ARM04/11/25** | **Matters Arising**<br>The updated Action Log was noted. | |
| **ARM05/11/25** | **Financial Statements** | |
| **5.1** | **Audit Highlights & Memorandum Year ending 31 July 2025 (inc draft management letter)** | |
| | The Report covered:<br>Executive summary<br>Status of the audit<br>Significant findings<br>Internal control conclusions<br>Summary of misstatements<br>Appendix A: Draft management representation letter<br>Appendix B: Draft audit report<br>Appendix C: Confirmation of our independence<br>Appendix D: Other communications | |
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| | Jon Marchant, Forvis Mazars provided an overview. He highlighted that the audit was complete and that the process had been a smooth one. He thanked the finance team for their preparation and communication during the process. The Report was based on the assumption that the borrowing/financing arrangement would be in place, as this was now confirmed as completed no changes were required in relation to this. He confirmed that an unqualified opinion had been confirmed for all the Hartpury entities. | |

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| | Carol Davey, Forvis Mazars, took the Committees through the significant findings. She confirmed that the audit had confirmed controls were working, and the journals had been approved. She advised that work had been done to review income recognition and that no issues had been identified. She advised of the processes used to review the pension data. Forvis Mazars had reviewed the actuarial assumptions and the related management reasoning. This was then further reviewed by Forvis Mazars actuaries. It was noted that the asset from the LGPS scheme was not recognised within the accounts was not recognised in line with Hartpury's usual approach to this.<br><br>10.10am Mark Lumsdon Taylor joined the meeting.<br><br>It was confirmed that the covenants had been reviewed and no issues raised. It was confirmed that progress was being made on all control points, and that there were no significant issues.<br><br>Governors reflected on the Report. A governor queried the provision relating to debt recoverability. The Chief Operating Officer advised that the Commercial debt related mainly to Gloucester-Hartpury, and payments were being received. In relation to student debt work was ongoing to review this and consider historic debt. He advised that a new Credit Controller and the Head of Finance Operations were both supporting this work. It was planned to bring a Report to SFR on this, which would clarify the nature of the debt. Governors queried if an external debt recovery service was also used, and if so the cost. They were advised it was approximately 25% of the debt. Governors were pleased that work was ongoing in this area.<br><br>Accruals relating to electricity and water were noted.<br><br>It was noted that the pension schemes for Hartpury were LGPS and TPS, and that USS was not used.<br><br>**Draft Management Letter**<br>It was confirmed that the appendix for the letter of representation would be completed for the Board meeting.<br><br>The Chairs drew the Governors attention to the responsibility within the Management Letter – "We confirm as Members of the Board of Governors that we have taken all the necessary steps to make us aware, as Members of the Board of Governors, of any relevant audit information and to establish that you, as auditors, are aware of this information." And it was agreed this should be highlighted to the Boards as in previous years. | |
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| | **The Audit Highlight Report & Memorandum for year ending 31 July 2025 was NOTED.** | |
| **5.2** | **Financial Statements**<br>**Introductory Audit Update Paper**<br>The Chief Operating Officer highlighted the work undertaken by the Director of Finance and Team in preparing the Financial Statements. Governors were pleased the process had worked smoothly.<br><br>The Director of Finance had provided a summary paper relating to the audit, which included a review of the Financial Statements outcome against the end of year Management Accounts which demonstrated that these were broadly in line, | |

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| | providing assurance on the Management Accounts which had been provided through the year. He advised that the audit process had been improved through the introduction of some automated processes. Governors welcomed these changes, noting the importance of processes being recorded so any staff changed did not cause issues. He advised that the Management Accounts format and contents had also been reviewed for 2025/26 and were now more targeted to aid Board and management review. Some further tweaks were planned for the New Year after feedback from SFR. He advised that the implications of the new SORP would also be update to SFR and A&RMC in the February/March. Governors thanked the Director of Finance for this helpful summary.<br><br>The Chairs of the Committees were thanked for their review of the Financial Statements prior to the meeting. | **DoF Feb/Mar 26** |
| | **Hartpury University Financial Statements 2024/25** | |
| | The University ARMC considered the Hartpury University Financial Statements 2024/25. It was confirmed that the overall results were in line with expectations. A governor queried the reference to Group and University for the tangible fixed assets and it was confirmed this was the required format. A governor queried why the university value was higher than the group and was it related to the transfer of assets at the point the university and college became separate entities. It was confirmed the entries were consistent since the establishment of the group structure. It was confirmed a note was not required to explain this. | |
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| | **The University ARMC AGREED to RECOMMEND the Hartpury University Financial Statements 2024/25 to the University Board for APPROVAL.** | |
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| **5.3** | **Hartpury College Financial Statements 2024/25** | |
| | The College ARMC considered the Hartpury University Financial Statements 2024/25. It was suggested that the success of the equine events could also be included, and it was agreed to mirror the information within the University Financial Statements. No other concerns were raised. | |
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| | **The College ARMC AGREED to RECOMMEND the Hartpury College Financial Statements 2024/25 to the College Board for APPROVAL.** | |
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| **5.3** | **Subsidiary Company Accounts**:<br>It was confirmed these were incorporated within the University Group Audit completed by Forvis Mazars. | |
| **5.3.1** | **Hartpury Rugby Ltd** | |
| | The Hartpury Rugby Limited Accounts were considered. It was noted that its Board would meet to approve the accounts, subject to any issues highlighted at the A&RMC, on 19th November 2025.<br><br>It was noted that one of the Directors of the subsidiary had resigned, and confirmed that consideration would be given to whether a further appointment was required by the subsidiary Board in the new year.<br><br>**The Hartpury Rugby Ltd Accounts were NOTED**. | |

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| **5.4.2** | **Rudgeley Services Ltd.** | |
| | The Rudgeley Services Limited Accounts were considered. It was noted that its Board would meet to approve the accounts, subject to any issues highlighted at the A&RMC, on 19th November 2025.<br><br>**The Rudgeley Services Limited Accounts were NOTED**. | |
| | **Limbury Ltd –** noted now struck off as dormant | |
| **5.5** | **Letter of Support - Subsidiaries** | |
| | It was noted that the period covered ran for 12 months from the signing of the letter. The Committee was comfortable with this.<br><br>**The University Audit & Risk Management Committee NOTED the proposed signing of the letter of support by the University Board.** | |
| **5.6** | **The Committees moved to consideration of the Going Concern Statement, which covered the University and the College**<br>The Director of Finance took the Committees through the Going Concern Statement, confirming that the report provided the College & University Audit & Risk Committees with the necessary assurances to enable them to recommend to the College and University Boards respectively that the College & University is a Going Concern and thus the Financial Statements for 2024/25 can be signed on that basis.<br><br>It was again highlighted that in the approving and signing the annual financial statements for Hartpury College & University for 2024/25, Governors make the following statement relating to Going Concern:<br><br>“After making appropriate enquiries, the Board considers that Hartpury College & University have adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.”<br><br>The main report provided an assessment of actual, forecast and budgeted out turn based on the latest College financial forecast submitted to the DfE in July 2024 and the latest strategic financial plan to be submitted to the OfS in December 2025. This included a summary of the cash generation from operations for each year demonstrating solvency.<br><br>The report concluded that the College & University are a ‘Going Concern’.<br><br>The director of Finance confirmed that the Finance Pack (Management Accounts) for the first two months of the year confirmed Hartpury was on track to achieve the budget. A sensitivity analysis had been run as part of the going concern review process and no concerns identified at this time. It was agreed that the recent borrowing/banking arrangement put in place provided assurance that Hartpury had the headroom to achieve its strategy.<br><br>**Reflecting on the information provided, both within the papers and at the meeting the College Audit & Risk Management Committee AGREED to recommend the Going Concern Statement to the College Board.** | |

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| | **Reflecting on the information provided, both within the papers and at the meeting the University Audit & Risk Management Committee AGREED to recommend the Going Concern Statement to the University Board.** | |
| **5.7** | **Audit & Risk Management Committee Annual Report – University** | |
| | It was noted that the Office for Students required all UK HEIs' Audit & Risk Committees to prepare an annual report for submission to its governing body and the Accountable Officer (the Vice-Chancellor) and subsequently to the Office for Students.<br><br>The Annual Report's purpose was to provide assurance over regularity and propriety of public funding and over the adequacy and effectiveness of arrangements for:<br>- Risk management, control and governance<br>- Economy, efficiency and effectiveness (value for money)<br>- Management and quality assurance of data submitted to regulators, funding bodies and statutory bodies.<br><br>The Committee considered the Annual Report. Some minor amendments were agreed.<br><br>It was confirmed the updated Forvis Mazars' opinion would be added.<br><br>It was agreed that the Whistleblowing Policy and an update on its use would be brought to a future meeting.<br><br>**The University A&RM Committee APPROVED the Report for submission to the University Board.** | CPO<br>March 2026 |
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| **5.8** | **Audit & Risk Management Committee Annual Report – College** | |
| | It was noted that the DfE required all Further Education Corporations' to prepare an annual report for submission to its governing body and the Accounting Officer (the Executive Principal) and subsequently to the DfE.<br><br>The Annual Report's purpose was to provide assurance over regularity and propriety of public funding and over the adequacy and effectiveness of arrangements for:<br>- Risk management, control and governance<br>- Economy, efficiency and effectiveness (value for money)<br>- Management and quality assurance of data submitted to regulators, funding bodies and statutory bodies<br><br>The Committee considered the Annual Report. Some minor amendments were agreed.<br><br>It was confirmed the updated Forvis Mazars' opinion would be added.<br><br>**The College A&RM Committee APPROVED the Report for submission to the College Board.** | |
| **5.9** | **Direct Loan Audit Report** | |
| | It was noted this report was with the specialist team at Forvis Mazars and would be provided once available. | |
| | **The University A&RM Committee NOTED the position** | |

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| **ARM06/11/25** | **Risk Management Update** | |
| **6.2** | ARMC had been provided with a summary of the changes to the Risk Register since the last meeting as well as an update on progress in developing the Hartpury Risk Management Policy. It provided ARMC the opportunity to review both the outcome of the Risk Management Process and the robustness and breadth of coverage of Risk Management.<br><br>The Risk Register had been reviewed and updated following the latest Risk Management Group meeting (RMG) and continual reviews by each operational area of their local risk registers.<br><br>The latest version (available on the Governors website) had been discussed at SMT.<br><br>**Risk categories and scoring**<br>The RMG had discussed including narrative to help guide risk scoring. The Risk Register currently includes wording on the "Intro" worksheet. It was acknowledged that alignment between the different categories was needed. Following a discussion at the RMG, proposed wording is included in Appendix A. This proposal was endorsed by the Committees, although the need to ensure risk management was not over complex was also stressed.<br><br>**Risk Appetite**<br>Risk appetite had been discussed at the Board Away days in March 2025. The output of discussions was summarised in Appendix B.<br><br>An interim RMG had been held in September to explore the application of risk appetite and our overall approach, using four risks from the risk register. Key observations from that session were:<br>• Risk categories: Proposed that the key risk category a particular risk falls under is highlighted. If there was more than one key category consider splitting risk into two;<br>• Where residual risks were high, guidance to RMG was needed on risk tolerance from ARC;<br>• Some activities and risks, as currently defined, cannot be mitigated sufficiently to meet the risk appetite statement. e.g. serious injury from equine events or "sudden or unexpected death of student". The ARC was asked to give guidance. Suggestions include:<br>    o Clarifying position in risk tolerance based on acceptable standards by a national governing body<br>    o Including specific risk appetite statements in these areas.<br>• RMG agenda to include deep dives into risk areas that have high residual risks.<br>• Potential for internal audit to review at areas of high risk.<br><br>The ARC discussed the above proposals. It was supportive of the ongoing activities to embed risk across the organisation. It was agreed that clarifying the position in risk tolerance based on acceptable standards by a national governing body was an appropriate approach and considering a more granular approach to a risk. | |

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| | **Risk register**<br>The changes to strategic risks were highlighted in a comparison summary and changes to the main Risk Register were highlighted in red. Changes to significant/strategic risks were summarised. No risks had been added or scores increased.<br><br>The risk relating to "Increased financial pressure as employer pension contributions and NI contributions increase significantly." Had been reduced reflecting that: White paper has announced increases to HE home UG fees in line with inflation and LGPS contributions expected to reduce in Spring 2026 following 2025 valuation. Risks with post mitigation score above risk appetite were also detailed, with planned mitigation. | |
| **6.3** | **Minutes from Risk Management Group**<br>It was confirmed that the Risk Management Group was actively and effectively supporting risk management at Hartpury. Governors noted there had been a number of apologies and queried if the Committees could be assured all risks were being identified and updated. The Chief Operating Officer advised that the use of deputies had been put in place and non-attendees had updated the Risk Register outside the meeting. It was confirmed that the Risk Register and the meeting had also been discussed with SMT.<br><br>Mark Lumsdon Taylor confirmed that the cascading up and down of risks was a key element of an effective risk management system and would be an element in the Internal Audit which would be undertaken in this area. It was noted that the Risk highlighted in the Risk Register for inclusion in the Finance Risk Register did already sit in the Strategic Risk Register.<br><br>Governors queried the position in relation to Business Continuity Plans. It was confirmed these had been updated and that the Risk Management Group would be regularly reminded to update them.<br><br>**The Minutes were NOTED.** | |
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| **ARM07/11/25** | **Audit Recommendations Follow Up Update**<br>The Committee considered the update which detailed progress on the recommendations. 4 recommendations were complete, 5 were in progress and one was on hold.<br><br>It was noted a different mechanism for tracking recommendations would be used with the new Internal Auditors which would streamline the update process. | |
| | **The College and University A&RM Committees NOTED the Audit Recommendations Update Report.**<br><br>11.25am The Contracts & Procurement Manager joined the meeting | |
| **ARM08/11/25** | **Procurement Compliance**<br>The Contracts & Procurement Manager presented the Procurement Compliance Report and provided assurance where there had been any variation on the standard compliance requirements, for example where work was bespoke, time critical or there was a need to align to current services, or there was only a single supplier. | |

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| | The process for monitoring contracts such as Aramark was noted. It was confirmed this would also be part of the Internal Audit Annual Plan.<br><br>The additional procurement requirements relating to ESG (Environment, Social and Governance Standards) were reflected on. The demands from this to respond to supply chain queries was highlighted. It was noted this was a developing area.<br><br>**The College and University A&RM Committees NOTED the Procurement Compliance Report and the General Compliance Update**.<br><br>The Contracts & Procurement Manager left the meeting | |
| **ARM09/11/24** | **Internal Audit** | |
| **9.1** | **Internal Audit Annual Report** | |
| | The report reflected the latest SICA report. The TIAA overall opinion was:<br>“TIAA is satisfied that, for the areas reviewed during the year, Hartpury and its subsidiaries has reasonable and effective risk management, control and governance processes in place.<br>This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by the Hartpury and its subsidiaries from its various sources of assurance.”<br><br>It was confirmed that the number of days for the Student Record Audit had been 6 and confirmed the report would be updated for the Board. | |
| | It was confirmed that this was the highest level of assurance.<br><br>**The College and University A&RM Committees NOTED the Internal Audit – Annual Report 2024/25.** | |
| **9.2** | **Review of Governance - Strategic Planning –Substantial Assurance– no recommendations**<br>The Committees considered the report and were pleased with the assurance provided. It was noted that processes used were in line with other sectors.<br><br>**The Internal Audit Report on Review of Governance - Strategic Planning was NOTED.** | |
| **9.3** | **Project Management Review of Student Accommodation Project – Substantial Assurance – 1 operational recommendation** | |
| | The Committees considered the report and were pleased with the assurance provided. It was confirmed processes were in line with best practice.<br><br>**The Internal Audit Report on Project Management Review of Student Accommodation Project was NOTED with the Recommendation to be added to the Audit Recommendations Report.**<br><br>TIAA were thanked for their work. | |

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| **ARM10/11/25** | **Internal Audit Update - MHA** | |
| | The Internal Audit Strategy (incorporating the proposed Internal Audit Plan for 2025/26) was submitted to the June Audit and Risk Committee for review and approval. A recommendation was made at this committee for an audit of '**management of outsourced contracts'** to be included within the plan for 2025/26 and for this review to take place early in the Spring Term.<br><br>The proposed audit was included within the attached plan, with the other proposed areas of coverage for the year remaining unchanged, and as set out within the Executive Summary.<br><br>The plan has also been updated to include the proposed Audit and Risk Committee meeting in which each of the finalised audit reports would be presented to.<br><br>The Committees noted and endorsed the planned areas:<br>• Strategic Planning<br>• Student Experience<br>• Learner Number Records<br>• Cyber Security<br>• Managing Outsourcing<br>• Key Financial Controls<br><br>Risk management, culture and communication would be embedded in all audits. Governors commented it would be helpful for the Head of Sustainability to be involved in the scoping of the terms of reference for this audit in 2026/27 and this was agreed. The breadth of aspects incorporated within this area was highlighted.<br><br>**The Committees APPROVED the updated Internal Audit Plan for 2025/26.** | |
| **ARM11/11/25** | **Health & Safety Policy** | |
| | Minor changes had been made. | |
| | **The Health & Safety Policy was APPROVED by the University and College Audit and Risk Management Committee.** | |
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| **ARM12/11/25** | **Any Risks to Highlight** | |
| | Cyber was highlighted.<br>ESG | |
| **ARM13/11/25** | **Items to Highlight to Board** | |
| | **External Audit Report and Financial Statements** all Hartpury entities – all unqualified opinions. No issues raised and smooth audit process confirmed. The A&RMCs RECOMMENDED the Financial Statements to the Board for Approval.<br>**Management Letter** – Responsibility of all governors highlighted - "We confirm as Members of the Board of Governors that we have taken all the necessary steps to make us aware, as Members of the Board of Governors, of any relevant audit information and to establish that you, as auditors, are aware of this information."<br>Internal Audit Annual Report – unqualified opinion. | |
| | **Internal Audit Annual Plan – MHA – APPROVED.** | |

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| | **Agreed Areas:** Strategic Planning, Student Experience, Learner Number Records, Cyber Security, Managing Outsourcing, Key Financial Controls | |
| **ARM14/11/25** | **Committee with Auditors Only**<br>See separate minute. | |
| | **Committee and Management Only** | |
| **ARM15/11/25** | **Performance Indicator Review – IA and EA**<br>**Confidential to Committee**<br>Noted no issues raised. | |
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| **ARM16/11/25** | **Any Other Business** | |
| | **None** | |

**The meeting closed at 12.20pm**

**Management left the meeting and a confidential session with Auditors followed.**