

Audit and Risk Committee Meeting

Tuesday, 13 May 2025 at 9:30 am to be held remotely via Microsoft Teams

Agenda Item	Classification	Rationale
1. Apologies for absence	Oral report Unclassified	n/a
2. Declarations of interest	Oral report Unclassified	n/a
3. Minutes of the last meeting held on 4 February 2025		
3a. Unclassified minutes	Unclassified paper	n/a
3b. Confidential minutes	Confidential appendix	1,2,3,4
4. Matters arising	Oral report	
Matters for decision		
5. RCVS audit tender process & Audit Tender Working Group's recommendation to the Audit and Risk Committee	Confidential paper	1,2,3
6. Appointment of new Chair & Vice-Chair	Oral report	
7. Review of Terms of Reference	Oral report	
Matters for note		
8. CEO update	Oral report	
9. Major projects update		
9a. CRM project & risk register	Confidential paper	3,4
9b. CMS project	Oral report Confidential	3,4
9c. Refurbishment of Hardwick Street		
10. VAT inspection	Oral report	
11. Finance Risk Register	Confidential paper	3,4

12. Corporate Risk Register update	Confidential paper	1,3,4
13. ENQA update	Confidential paper	1
14. Accreditation update	Confidential paper	1
15. Any other business (AOB)	Oral report	
15b. Reflective session		
16. Date of the next meeting: Tuesday, 4 September 2025	Oral report Unclassified	n/a

Audit and Risk Committee – Terms of Reference

1. The Audit and Risk Committee shall support the Council by reviewing the comprehensiveness and reliability of assurances and internal controls in meeting the Council's oversight responsibilities. The Committee is a non-executive committee and has no executive powers except as set out below.
2. The Committee has delegated authority to:
 - a. Monitor the Council's risk management arrangements;
 - b. Approve the internal audit programme; and,
 - c. Advise the Council on the comprehensiveness and reliability of assurances and internal controls, including internal and external audit arrangements, and on the implications of assurances provided in respect of risk and control.
3. The Committee may request the attendance of any employee or member, as set out in paragraph 17 below, and may incur expenditure for the purpose of obtaining advice in terms of paragraph 21 below.
4. The Committee is accountable to the Council. The minutes of each Committee meeting shall be circulated to the Council. The Committee shall report to the Council annually on its work. It may also submit separately to the Council its advice on issues where it considers that the Council should take action. Where the Committee considers there is evidence of *ultra vires* transactions or evidence of improper acts, the Chair of the Committee shall raise the matter at a formal Council meeting.
5. The Committee shall have five members, but may operate with fewer while a vacancy exists, provided the quorum is maintained. The members shall include two Council members, of whom one shall be a lay member and one a registrant member. Neither the President, Vice-Presidents, nor the Treasurer shall be members of the Committee. The members of the Committee who are not Council members (the "external members") shall have appropriate audit and risk management experience.
6. The Council will elect one of the external members serving on the Committee as Chair, based on relevant background and skills. The Committee will elect a Vice-Chair and in the absence of the Chair, the Vice-Chair will chair the meeting.
7. The Committee shall support the Council by reviewing and advising the Council on the operation and effectiveness of the arrangements which are in place across the whole of the Council's

activities that support the achievement of the Council's objectives. In particular, the Committee shall review the adequacy of:

- a. All risk and control related disclosure statements, together with any accompanying internal audit statement, where appropriate, external audit opinion or other appropriate independent assurances, prior to endorsement by the Council;
 - b. The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
 - c. The policies for ensuring compliance with relevant regulatory, legal, governance and code of conduct requirements; and
 - d. The policies and procedures for all work related to fraud and corruption.
8. In carrying out this work the Committee will primarily utilise the work of internal audit, where appropriate, external audit and other assurance functions. It will also seek reports and assurances from Department Managers as appropriate, concentrating on the over-arching systems of governance, risk management and internal control together with indicators of their effectiveness.
9. In reviewing risk management arrangements, the Committee shall draw attention to areas where:
- a. Risk is being appropriately managed and controls are adequate (no action needed);
 - b. Risk is inadequately controlled (action needed to improve control);
 - c. Risk is over-controlled (resource being wasted which could be diverted to another use); and,
 - d. There is a lack of evidence to support a conclusion (if this concerns areas which are material to the organisation's functions, more audit and/or assurance work will be required).
10. In relation to internal audit, where appropriate, the Committee shall:
- a. Ensure that there is effective internal audit activity that complies with any applicable standards and provides appropriate independent assurance to the Council, Audit and Risk Committee, Secretary and Registrar;
 - b. The internal audit activity will include reviews into RCVS internal processes, policies and procedures. These reviews will be based on identified high risk areas from the Corporate Risk Register and assurance map;
 - c. Ensure that the College makes adequate resource available to internal audit activity, where required;
 - d. Review the need for an internal audit strategy, operational plan and work programme;

- e. Consider the major findings of the internal audit/review work, where carried out, and management's response; and,
- f. Annually review the effectiveness of internal audit.

11. In relation to external audit, the Committee shall:

- a. Consider the appointment and performance of the external auditor, the audit fee and any questions of resignation or dismissal and make appropriate recommendations to the Council;
- b. Discuss and agree with the external auditor, before the audit commences, the nature and scope of the audit as set out in the external audit plan and their local evaluation of audit risks;
- c. Review the work and findings of the external auditor, consider the implications and management's responses to their work; and,
- d. Review all external audit reports, including agreement of the annual audit letter before submission to the Council and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

12. The Committee shall review the annual financial statements, focusing particularly on:

- a. Disclosures relevant to the terms of reference of the Committee;
- b. Changes in, and compliance with, accounting policies and practices;
- c. Unadjusted mis-statements in the financial statements;
- d. Major judgmental areas; and,
- e. Significant adjustments resulting from the audit.

13. The Committee shall ensure that the systems for financial reporting to the Council, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Council.

14. The Committee shall meet not less than three times a year. The external auditors may request a meeting if they consider that one is necessary.

15. Only Committee members shall be entitled to attend meetings of the Committee. The Treasurer, CEO, Secretary and/or Registrar, and Director of Operations shall normally attend meetings. Representatives from the external auditors shall attend meetings as required for relevant items. The President and other Council members may attend meetings at the invitation of, or with the agreement of, the Chair of the Committee.

16. The Committee may request any employee or member to attend a meeting to assist with its discussions on any particular matter or to provide any information it may reasonably require in order to fulfil its remit. All employees and members shall co-operate with any reasonable request made by the Committee.
17. The Committee may ask any or all non-members to withdraw for all or part of a meeting if it so decides. In such an instance, the Chair shall ensure that a proper record is made of the meeting.
18. The senior representatives of external audit shall have free and confidential access to the Chair of the Committee. At least once a year, the Committee shall provide an opportunity to meet privately with the external auditors. College staff will not be present during these confidential meetings.
19. The Committee may investigate any activity within its terms of reference. It may seek any information it requires from any employee and all employees shall co-operate with any request made by the Committee.
20. The Committee may obtain legal or other independent professional advice and secure the attendance of external advisers with relevant experience and expertise if it considers this necessary, within the budget approved by the Council. The CEO and/or Registrar shall ensure that appropriate secretariat support is provided to the Chair and Committee.

Remit relating to accreditation functions of the College

21. The Committee will receive assurances that the quality assurance work undertaken by the College in relation to the accreditation of veterinary degree programmes and veterinary nursing educational institutions is operating in accordance with its published procedures. This process of assurance is also designed to contribute to compliance with the requirements for membership with the European Association for Quality Assurance in Higher Education (ENQA) that 'Agencies should have in place processes for internal quality assurance related to defining, assuring and enhancing the quality and integrity of their activities'. This will be achieved by:
 - a. At the beginning of each calendar year, the Committee will be provided with a work plan, detailing the accreditation visitations that are scheduled for the forthcoming year;
 - b. Brief progress reports against this work plan will be provided as a standing item at each meeting of the Committee. These reports will also highlight any major concerns or issues that had arisen as a result of quality assurance activities conducted in the period covered by the report;
 - c. An annual report will be produced at the end of each calendar year. This will be presented to the Committee together with the work plan for the next calendar year. The annual report would be expected to include:
 - Confirmation that quality assurance activities have been completed in line with the work plan, or reasons for any variation;
 - Actions that have been taken or that are planned as a result of discussion by committees;

- Actions that have been taken or that are planned as a result of feedback from stakeholders (visitors/universities); and,
 - Trends and themes identified in information presented year on year.
22. Findings of the Committee arising from assurances received on the quality assurance activities of the College in relation to veterinary degree programmes and veterinary nursing educational institutions shall also be circulated to the Primary Qualifications Subcommittee (PQSC), Education Committee and the Veterinary Nurses Education Committee.
23. The Committee may choose to invite attendance from representatives of Education Committee and VN Education Committee for the purpose of receiving assurances on quality assurance activities undertaken by those Committees.
24. Where an appointed member of the Audit and Risk Committee is also involved with the education quality assurance activities of the RCVS, they shall not be permitted voting rights on any issues discussed however they may remain present at the meeting for points of clarification.

Summary

Meeting	Audit and Risk Committee (ARC)
Date	13 May 2025
Title	ARC meeting minutes – 4 February 2025
Summary	Minutes of the ARC meeting held online via Microsoft Teams and in person at the Royal College of Nursing on Tuesday, 4 February 2025.
Decisions required	The Committee is asked to approve the unclassified minutes and the confidential appendix.
Attachments	Confidential Appendix
Author	Huda Haid Governance Officer h.haid@rcvs.org.uk

Classifications

Document	Classification ¹	Rationales ²
Paper	Unclassified	n/a
Appendix	Confidential	1,2,3,4

¹Classifications explained

Unclassified	Papers will be published on the internet and recipients may share them and discuss them freely with anyone. This may include papers marked 'Draft'.
Confidential	Temporarily available only to Council Members, non-Council members of the relevant committee, sub-committee, working party or Board and not for dissemination outside that group unless and until the relevant committee or Council has given approval for public discussion, consultation, or publication.
Private	The paper includes personal data which should not be disclosed at any time or for any reason, unless the data subject has agreed otherwise. The Chair may, however, indicate after discussion that there are

	general issues which can be disclosed, for example in reports to committees and Council.
²Classification rationales	
Confidential	<ol style="list-style-type: none"> 1. To allow the Committee or Council to come to a view itself, before presenting to and/or consulting with others 2. To maintain the confidence of another organisation 3. To protect commercially sensitive information 4. To maintain public confidence in and/or uphold the reputation of the veterinary professions and/or the RCVS
Private	<ol style="list-style-type: none"> 5. To protect information which may contain personal data, special category data, and/or criminal offence data, as listed under the General Data Protection Regulation

Minutes of the Audit and Risk Committee (ARC) meeting held online via Microsoft Teams and in person at the Royal College of Nursing on 4 February 2025

Members (2024/25 College year):

Mr K Grewal^	External lay member
Mr V Olowe	External lay member & Vice-Chair
Ms J Shardlow	External lay member & Chair
Mr W A S Wilkinson^	RCVS Council member
Ms J S M Worthington	RCVS Council member

In attendance:

Dr M M S Gardiner	Treasurer (Observer)
Ms H Haid	Governance Officer
Ms L Lockett	CEO
Ms C McCann	Director of Operations
Mr A Quinn-Byrne	Governance Manager
Mr A Scanlan^	CRM Project Manager
Ms J Stetzel^	Head of Marketing and Digital Communications
Ms S Tetsola	Head of Finance

^ Denotes remote attendance

Apologies for absence

1. It was noted that Mr W A S Wilkinson would be leaving the meeting early to attend another commitment.
2. The Head of Marketing and Digital Communications joined the meeting to present the 'CMS project' item under the 'Major projects update', as well as the 'Communications Risk Register' item. She left the meeting on conclusion of those items.
3. The Customer Relationship Management (CRM) Project Manager joined the meeting to present the 'CRM project' agenda item under the 'Major projects update' and left the meeting on conclusion of that item.

Declarations of interest

4. There were no declarations to record.

Minutes of the last meeting

3. The Committee approved the minutes of the last meeting, held on 12 November 2024, as an accurate record.
4. Further confidential information is contained in paragraph 1 of the classified appendix.

Matters arising

5. All the arising actions from the last meeting had been completed. Some had been covered as part of the agenda for this meeting.

Draft strategic plan

6. The CEO presented the draft strategic plan (2025-2029) to the Committee so that it could be considered from the perspective of any risks that it might give rise to. Since ARC consisted of independent lay members, the Committee was also invited to provide feedback on clarity.
7. Confidential information is contained in paragraph 2-7 of the classified appendix.

CEO update

8. The CEO provided an oral report on the following College activities to the Committee:
 - a) Future governance reform: RCVS Council discussed governance reform in January. Some key decisions were made such as making a recommendation to the Department for Environment, Food and Rural Affairs (Defra) about moving towards an independent appointment system for Council membership to replace the current election system, in order to further improve its ability to work in the public interest. This had triggered some disquiet from the profession when Council had originally voted on the change. A few decisions around governance reform, particularly around the proposals for the composition of Council and whether to maintain an elected element in one of the groups that looked at the Royal College's (non-statutory) activities and how this could be achieved, were delayed to the March meeting.

- b) Compliance with the Worker Protection (Amendment of Equality Act 2010) Act 2023: some of the actions taken in compliance with the new requirements included staff members receiving sexual harassment awareness training. Risk assessments had also been undertaken, with particular care given to employees who attended events with exposure to third parties to ensure that they felt safe and able to report any incidents. Additionally, the Governance and People Team were to plan some scenario-based exercises with other College teams to identify potential courses of action for incidents.
 - c) Statutory Instrument (SI) for Statutory Membership Exam (SME): the College had been calling for a new SI for some time to improve the arrangements for the SME, in order to make it more accessible for overseas graduates. The SI had been approved by the Privy Council in December 2024. There were risks stemming from the increasing number of candidates sitting the exam every year, which put strain on the College in terms of handling the practical elements of the exam (Objective Structural Clinical Exam (OSCE) assessments). Also, now that candidates could re-sit components of the written exam, it was difficult to predict numbers that would go through to the OSCEs.
 - d) Recruitment of new Registrar: the RCVS had appointed a new Registrar and Director of Legal Services, Clare Paget, who would be joining the College at the end of March 2025.
9. Comments from the Committee in relation to the above updates included the following:
- a) It would be important to make sure that the RCVS' Sexual Harassment Policy was fit for purpose to manage historic cases.
10. Further confidential information is contained in paragraph 8 of the classified appendix.

Major projects update

11. This agenda item covered three major ongoing College projects. Confidential information is contained in paragraphs 9-18 of the classified appendix.

Updates from the Director of Operations

12. Confidential information is contained in paragraphs 19-24 of the classified appendix.

Communications Risk Register

13. Confidential information is contained in paragraphs 25-29 of the classified appendix.

Corporate Risk Register update

14. Confidential information is contained in paragraphs 30-38 of the classified appendix.

ENQA updates

15. The Education Quality Improvement Manager shared three papers on the following topics with the Committee for note:

- update on ENQA activities (unclassified)
- annual report of accreditation visits in 2024 (confidential)
- RCVS accreditation visitation workplan 2024/25 (unclassified)

16. Unfortunately, due to insufficient time, the Committee was unable to discuss the contents of the papers, and the Chair asked the Committee members to send any comments or questions to the secretary, who would then share them with the Education Quality Improvement Manager. Any comments or questions received would be addressed at the next meeting in May.

Any other business (AOB)

Review of Terms of Reference

17. There was insufficient time to review ARC's Terms of Reference as the meeting had over-run so it was agreed that this item would be held over to the next Committee meeting in May.

Reflective session

18. The Committee noted that discussions had run over and there was insufficient time to consider the agenda in its entirety. It was acknowledged that there would be less pressure with the timing of in person meetings once the new RCVS building was open for use.
19. The Chair thanked the Committee members for their contributions and there was no further business to record.

Date of the next meeting

20. The next ARC meeting would be held on Tuesday, 13 May 2025 at 10:00 am, remotely. A further joint meeting with the Finance and Resources Committee would be held on the same day at 12:30 pm, to consider the draft annual report.