

Minutes of the meeting of the Audit Committee held on Monday 10 June 2024 at 4pm

Present: George Graham (Chair & Governor)
 Emma Dawson (Co-opted member)
 Donavan Hutchinson (Governor) (via Teams)
 Matt Mills (Governor)

In attendance: Heather Jackson (Clerk) (by Teams)
 Jason Barnard (Director of MIS)
 Gavin Batty (Deputy CEO)
 Shaun Cook (Vice Principal Curriculum)
 Tony Johnson (Vice Principal Corporate Services)
 Laila Lawton (Vice Principal Finance)
 Sue Slassor (Vice Principal Quality)
 Lisa Smith (RSM)
 Richard Buckby (TC SEM)
 Dilun Mistry (TC SEM)

PART I – For Publication

Minute	
PROCEDURAL MATTERS	
A24/019	Agenda Item No. 1: Quorum The meeting was quorate.
A24/020	Agenda Item No. 2: Apologies for Absence Apologies were received from Carol Cooper-Smith.
A24/021	Agenda Item No. 3: Declarations of interest There were no declarations of interest.

<p>A24/022</p>	<p>Agenda Item No. 4: Minutes of the meeting held on 5 March 2024.</p> <p>The Vice Principal Quality clarified a note in the minutes relating to attendance.</p> <p>The minutes of the meeting held on 5 March 2024 were approved.</p>
<p>A24/023</p>	<p>Agenda Item No. 5: Matters arising</p> <p>There were no matters arising.</p>
<p>A24/024</p>	<p>Agenda Item No. 6: Rolling Action List</p> <p>It was RESOLVED to note the Rolling Action List.</p>
<p>A24/025</p>	<p>Agenda Item No. 7: Notification of items of any other business</p> <p>The Clerk noted that there was an update on the ESFA Subcontracting Standard which would be taken as part of any other business.</p>
<p>A24/026</p>	<p>Agenda Item No. 8.1: Progress Report</p> <p>Lisa Smith presented the Progress Report. It was noted that field work dates had been agreed for all remaining audits to ensure that they will be completed by the end of the academic year. Three reports had been finalised since the meeting in March.</p> <p>Lisa Smith also noted that two different types of report had been presented and the committee were asked to agree which format they preferred. It was agreed that the simpler format was preferred.</p> <p>It was RESOLVED to note the Progress Report.</p>
<p>A24/027</p>	<p>Agenda Item No. 8.2: Health & Safety</p> <p>Lisa Smith presented the Health and Safety report. It was noted that the audit had looked at training, risk assessments and trips, fire inspections and the incident log. Taking into account the issues identified, the board can take substantial assurance that the controls upon which the College relies to manage this area are suitable designed, consistently applied and effective.</p> <p>The committee discussed near misses and the mechanisms to report them and were assured that there is a process in place to record and monitor</p>

	<p>them. The Chair confirmed that the report reflected what he had seen as a link Governor.</p> <p>It was RESOLVED to note the Health and Safety Report.</p>
A24/028	<p>Agenda Item No. 8.3: Cyber Disaster Recovery</p> <p>Lisa Smith presented the Cyber Disaster Recovery report. Taking into account the issues identified, the board can take substantial assurance that the controls upon which the College relies to manage this area are suitable designed, consistently applied and effective.</p> <p>Two low priority actions had been identified and management actions agreed.</p> <p>It was RESOLVED to note the Cyber Disaster Recovery Report.</p>
A24/029	<p>Agenda Item No. 8.4: ESFA Funding Rule Compliance</p> <p>Lisa Smith presented the ESFA Funding Compliance report. It was noted that the audit followed the same methodology as an ESFA funding review. The audit had identified some areas of non-compliance that reflect the complexity of apprenticeship funding. All were at ITS. The Committee noted that an action plan was already in place and the Director of MIS was working closely with ITS to resolve the issues. Data was checked regularly throughout the year and there were some timing issues with the audit.</p> <p>The committee discussed the sample size and it was noted that this reflected the ESFA methodology. It was also noted that new rules and changes in year made the issues complex but that the college had performed well compared the rest of the sector.</p> <p>It was RESOLVED to note the ESFA Funding Compliance Report.</p>
A24/030	<p>Agenda Item No. 8.3: Internal Audit Plan and Strategy for 2024-25</p> <p>Lisa Smith presented the Internal Audit Plan. The committee noted that it was broadly in line with the tender and reflected discussions with the Deputy Chief Executive, Vice Principal Finance and Chair of the Audit Committee.</p> <p>The committee discussed the plan and priorities and it was agreed that it would be monitored to reflect any changes in risks. It was agreed that the plan addressed the most significant risk in the Board Assurance Framework.</p> <p>It was RESOLVED to approve the Internal Audit Plan and recommend its approval to the Board.</p>

<p>A24/031</p>	<p>Agenda Item No. 11: External Audit Strategy</p> <p>Richard Buckby presented the external audit strategy including approach, risks, materiality, timetable and fees. He also introduced Dilun Mistry who will manage and coordinate the audit.</p> <p>The committee discussed the changes in materiality and any potential impact. It was also noted that the audit would start slightly later this year to reflect feedback from last year.</p> <p>It was RESOLVED to note the external audit strategy and recommend its approval to the Board.</p>
<p>A24/032</p>	<p>Agenda Item No. 12: Engagement Letters</p> <p>The Vice Principal Finance presented the external audit engagement letters.</p> <p>It was RESOLVED to recommend the College and subsidiary engagement letters to the Board for approval.</p>
<p>A24/033</p>	<p>Agenda Item No. 13: Financial Regulations</p> <p>The Vice Principal Finance presented the updated financial regulations.</p> <p>The committee noted that a number of additional policies (reserves, procurement and conflict of interests) had been added to the regulations to reflect the requirements of the recently published College Financial Handbook.</p> <p>The committee discussed the reserves policy and the requirements of the register of interests for staff.</p> <p>The committee noted that RSM's specialist team had supported the college in re-writing the Fraud policies. It was also noted that Whistleblowing was reported in the annual HR report.</p> <p>It was RESOLVED to recommend the financial regulations for approval by the Board.</p>

A24/033	<p>Agenda Item No. 13: Anti-Bribery Policy</p> <p>The Vice Principal Finance presented the Anti-Bribery Policy.</p> <p>It was RESOLVED to recommend the Anti-Bribery Policy to the Board for approval.</p>
A24/034	<p>Agenda Item No. 14: Anti-Fraud Policy</p> <p>The Vice Principal Finance presented the Anti-Fraud Policy.</p> <p>It was RESOLVED to recommend the Anti-Fraud Policy to the Board for approval.</p>
A24/035	<p>Agenda Item No. 15: Fraud Response Plan</p> <p>The Vice Principal Finance presented the Fraud Response Plan.</p> <p>It was RESOLVED to recommend the Fraud Response Plan to the Board for approval.</p>
A24/036	<p>Agenda Item No. 17: New Risk</p> <p>There were no new risks identified.</p>
A24/037	<p>Agenda Item No. 18: Clerks Monitoring of Audit Recommendations</p> <p>The Clerk presented the Monitoring of Audit Recommendations report.</p> <p>It was noted that progress had been made across all of the recommendations made in recent audits.</p> <p>The Governance action plan had been approved by Board in May following a Deep Dive.</p> <p>It was RESOLVED to note the Clerks Monitoring of Audit Recommendations report.</p>
A24/038	<p>Agenda Item No. 19: Terms of Reference</p> <p>The committee noted that the terms of reference had been reviewed against the post 16 audit code of practice, the college accounts direction and the College Financial handbook. The majority of changes will be picked</p>

	<p>up through the revised financial regulations and governors noted the new requirement for an annual review of risk.</p> <p>No changes to the terms of reference were recommended.</p> <p>It was RESOLVED to note that no changes were recommended to the terms of reference.</p>
A24/039	<p>Agenda Item No. 20: College Financial Handbook</p> <p>It was RESOLVED to note the new College Financial Handbook</p>
A24/040	<p>Agenda Item No. 21: Updates</p> <p>It was RESOLVED to note the updates.</p>
A24/041	<p>Agenda Item No. 19: Audit Committee Minutes 5 March 2024 Part II</p> <p>The minutes of 5 March 2024 were approved.</p>
A24/042	<p>Agenda Item No. 20: Any other business</p> <p>The Deputy CEO presented the Subcontracting Risk Response. The report from the Department of Education confirmed that the College had achieved the standard for 2022-23 and can continue to subcontract. The next assurance review submission for the subcontracting standard will be July 2026.</p> <p>It was RESOLVED to note the Subcontracting Risk Response.</p>
A23/043	<p>Agenda Item No. 21: Date and time of next meeting</p> <p>Tuesday 8 October 2024</p>

The meeting ended at 17:15