

MEETING OF THE AUDIT AND RISK COMMITTEE

MINUTES

Date	Wednesday 22nd May 2024
Time	18:00 to 19:15
Location	Via MS Teams
Present (Governors):	Chair: Andrew Gilchrist Adam Herriott Rick Parish – co-opted member
In attendance (officers)	Christine Ricketts (Principal and CEO) Allan Tyrer (Chief Operating Officer) Melissa Drayson (Director of Governance)
In attendance (auditors)	Karen Swainson (TIAA) Katherine Patel (Buzzacott)
Observers	None
Apologies for absence	James Measures
Quorum (3)	The meeting was quorate throughout

Items identified as confidential on the grounds of commercial or personal sensitivity have been redacted from the published version.

Item	Action lead
1. Preliminary items	
1.1 Apologies for Absence and welcomes	
Apologies were received from James Measures. The Director of Governance reminded the Committee that there were currently two vacancies which would be filled following governor recruitment.	
1.2 Declarations of interest	
There were no new declarations of interest relating to matters on the agenda. Previously declared interests were carried forward.	
1.3 Urgent other business notified in advance	
No urgent matters of other business had been notified in advance.	
2. Minutes	
2.1 Minutes of the meetings on 28th February 2024	

The Minutes of the Audit Committee were **APPROVED** as an accurate record of the meeting and confidential sections were confirmed for redaction from the public version on commercial confidentiality grounds.

2.2 Matters Arising

The Committee noted the completion of actions and those not yet due and requested an update on any that were still in progress.

The Chief Operating Officer had looked into the requirement for Colleges to have a Money Laundering Policy and updated the Committee that this was not necessary.

It was also confirmed that the Gifts and Hospitalities register was still in operation and that staff were reminded of the need to declare anything with a value above the stated threshold.

The Committee Chair and COO had yet to meet to discuss the scope of the annual Value for Money report, which was due to be brought to the Committee in September.

Chair/
COO

3. Internal Audit 2023-24

Supporting papers presented by TIAA

4.1 SICA (Summary Internal Controls Assurance) progress report

Members noted progress against the plan and the proposal for the days allocated to the governance audit to be used to review the Capital development. The audits on Key Financial Controls and Staff Recruitment were currently in progress and fieldwork on the learner numbers audit was about to commence. The reports on these would be brought to the first meeting of 2024-25.

Members noted progress on implementing previous audit recommendations. Four were reported as being overdue, although the COO confirmed that the portal had been updated since the report was produced, so the figure was likely to be lower as some had been completed and others had been superseded. New completion dates were requested for a further four recommendations. The Committee agreed to these on condition that all were completed by their new due-date

4.2 Final cyber-security audit report (confidential report)

Redacted on grounds of commercial sensitivity

Members commented that they liked the diagrammatic format as it was clear where action was needed to achieve goals.

3.2 Internal Audit Plan 2024-25

It was noted that the Executive Group had yet to review the draft plan, so it was agreed that it should be brought back to the Committee in September once this discussion had been held and outcomes fed back to TIAA.

AGREED: That the Internal Audit Plan for 2024-25 would be discussed by Executive Group and a final version brought to the Committee at the first meeting of 2024-25.

4. Risk Management

Supporting paper by the Chief Operating Officer

The risk register had been reviewed by the COO and SLT and remained largely the same in terms of content and layout, although the section on the Estate Redevelopment had been revised now that planning approval had been received.

The COO provided governors with an update on the remaining steps to be undertaken before sale completion on 1st July, and the process for the receipt of funds and repayment of the debt to the ESFA.

A more comprehensive review of the Risk Register was still planned, to produce a more streamlined format that could be replicated at departmental level. The risk appetite scores agreed at the governor workshop in April would be added.

The Committee noted the updated risk register and commended this to the Corporation.

5. Financial Statements and Regularity Audit Plan for year end 31 July 2024

Supporting paper presented by Buzzacott.

Key points were noted:

- there had been few changes to the accounting and regularity audit framework.
- The teacher pensions audit work as early as possible.
- The profile of drawdown for estates funds and repayment would be a key consideration. It was hoped that, by year end, the balance sheet should just show the remaining ESFA debt.
- The income recognition work would take into account the internal auditors' work on learner numbers and the College's own controls.

The COO reported that a revaluation of the individual buildings and land would be undertaken by the end of the academic year. The work would be undertaken by the College, with advice from Buzzacott. The Committee was assured that there would be no conflict of interest. Governors

checked that the COO had sufficient resources for the revaluation work and were reassured on this point. .

It was noted that the fee quote for the audit was a fair reflection of the likely work and some of the additional complexities.

RESOLVED: That it be recommended to the Corporation that the Financial Statements and Regularity Audit Plan be APPROVED.

6. DfE/ESFA requirements

Supporting papers by the Director of Governance

6.1 Audit Code of Practice 2023-24

The Committee noted that the changes to the most recent ACOP were not as significant as in previous years and concurred with the view that these would not impact significantly on its work.

6.2 College Financial Handbook

The Committee noted that the new College Financial Handbook brought together existing guidance and regulation, including Managing Public Money requirements, but did not introduce any new requirements on FE Corporations. The Chief Operating Officer and Director of Governance would, nonetheless, review the document to ensure that the College was fully compliant. The Financial Regulations would now be updated and brought to the Corporation for approval in July.

7. Anti-Fraud and Corruption Policies Review

Supporting papers by the Director of Governance

The Committee was advised that the draft policies had now been through the College's internal policy review process. The Chair had advised the Director of Governance of some minor edits, which would be added to the final version for Corporation approval.

RESOLVED: that the Counter Fraud Strategy, and the updated anti-Bribery Policy be recommended to the Corporation for APPROVAL

8. Termly Report on any reportable Fraud, Whistleblowing, Data or Cyber Security and FOIA events

Supporting paper presented by the Chief Operating Officer

The Committee noted that there had been no cases of suspected fraud or whistleblowing disclosures. Some minor data breaches had occurred. These had not been reportable, but would be addressed via staff training. Four FOIA requests had been received. Two were commercial, one was from a parent and one related to college staffing.
oking at records.

9. Opportunity for private discussion with Auditors

The auditors confirmed that there were no matters that they wished to discuss in private with the Committee.

11. Date of Future Meetings

The meeting schedule for 2024-25 was being developed. The Committee confirmed the need for a September meeting and a preference to meet on a Wednesday.

Signed

(Chair)

Date