

Minutes of the Audit Committee Meeting Held at 4.30pm on 26 September 2023

Present: Prue Amner, Ashley Cullen, Graham Goddard, Shirley Nellthorpe and Pauline Tiller (chair)

Apologies: Liz Rix

In Attendance: Mike Cheetham RSM (internal auditors)
 Paola Schweitzer Director of Governance
 Maria Vetrone COO

Minutes

123 Attendance and Participation

Liz Riz sent her apologies.

124 Declarations of Interest

There were no declarations of interest.

125 Meeting with Internal & External Auditors without Staff Present

Maria left the meeting.

Pauline invited Mike to raise any issues but he did not wish to raise anything. Governors agreed the opportunity for confidential discussion at the start and end of each meeting would continue in future.

Maria rejoined the meeting.

126 Minutes

The minutes from the meeting on 13 June 2023 were **Agreed** as a correct record.

127 Matters Arising

Minute 111: Health & Safety Report: Pauline asked that this was marked as closed (not completed) as the matter now sat with Finance & Resource Committee. Governors **Noted** that the matters arising were either completed or due for completion shortly.

Matters for discussion/Decision

128 Internal Audit Report: Curriculum Planning (paper 445/23/A)

This audit reviewed the College's processes, systems and controls in relation to curriculum planning for 2023/24 by reviewing the framework of controls to understand

the design of, and compliance with, these controls. One 'low' priority action relating to the documentation of decision making for sixth form courses was raised, which management accepted. This audit was completed as advisory work in line with the internal audit plan and therefore no audit opinion was given. Mike noted that the report should give the Committee assurance and congratulated College staff. In response to a question, Maria stated that the learner finder fee was being reviewed. Governors asked that further details on the gap in provision identified in the qualification map be circulated.

Governors **Noted** the internal audit report on curriculum planning.

129 Internal Audit Report: IT Infrastructure/Cybersecurity Follow Up (paper 446/23/A)

This audit followed up on progress made to implement the nine previously agreed recommendations raised in the internal auditors' report on IT Infrastructure. The audit confirmed that *reasonable progress* had been made, with six recommendations implemented and three classified as *implementation ongoing* meaning progress had been made but the actions had not yet been fully implemented or embedded. One of these actions (categorised as low priority) was beyond its agreed completion date. Maria would report back on the number of staff who had not undertaken cybersecurity training due to long term sick or maternity leave.

Governors **Noted** the internal audit follow up report on IT infrastructure/cybersecurity.

130 Internal Audit Report: Learner Number Systems (paper 447/23/A)

This audit reviewed core aspects of the College's learner number systems to ensure they were adequately controlled thereby ensuring no potential funding problems arose. The internal auditors identified several non-compliance issues resulting in errors in funding being claimed. Nine medium and 20 low priority actions were identified, all of which were ad hoc rather than indicative of systematic issues. Maria noted this was not unexpected as the College was not a mature organisation but there was a strong senior management team to resolve the issues. Maria confirmed that the College no longer had links with Learning Curve and would confirm after the meeting that no learners would continue into 2023/24. Pauline believed some of the timelines for the recommendations might be too optimistic.

Governors **Noted** the internal audit on Learner Number Systems.

131 Internal Audit Annual Report (paper 448/23/A)

The internal audit annual report provided an annual internal audit opinion, based on work undertaken during 2022/23. The internal auditors (RSM) concluded that '*The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.*' RSM referred to the outcome of the safeguarding review (partial assurance) but, in the light of the findings of other assurance and advisory reviews and discussions with management and the Audit Committee, RSM believed the opinion for the year was warranted.

Governors **Noted** the internal audit annual report 2022/23 and that it would be incorporated into the Audit Committee Annual Report to Corporation.

132 Outstanding Audit Recommendations Follow Up (paper 449/23/A)

The outstanding audit recommendations follow up report was drafted by management to monitor progress in implementing audit recommendations raised by both internal and external auditors as well as other independent reviewers of the College's internal control framework. Maria noted all external audit recommendations had been implemented, so the focus would be on the internal audit reports.

49 audit recommendations had been raised, all of which were accepted by management. 36 had been implemented and the remaining 13 were being implemented and were within the implementation date (one had a revised date). RSM would review these recommendations and report to the Committee.

Governors **Noted** the outstanding audit recommendations follow up.

133 Health & Safety Annual Report 2022/23 (paper 450/23/A)

The health & safety (H&S) annual report outlined the activities undertaken during 2022/23 to ensure that the College had comprehensive control measures in place to maintain a safe place to work and study. Activities included improvements and updates for College-wide risk assessments and procedures and health & safety training.

There was a brief discussion about the report including rules on vaping, the importance of staff understanding the correct processes for reporting self-harming, the inclusion of fire extinguisher testing data and *the hide, seek, run* procedure. Graham, lead H&S governor, noted the importance of this first H&S report in providing baseline data. Finance & Resources Committee would now have oversight of H&S and Corporation would shortly consider the recommendation that Graham step down from Audit Committee and join Finance & Resources Committee.

Governors **Noted** the health & safety annual report 2022/23.

134 Whistleblowing Annual Report 2022/23 (paper 452/23/A)

One email had been received to the dedicated whistleblowing email address in 2022/23 but concerned a complaint, not a whistleblowing matter, and so was investigated through the College's internal procedures and appropriate action taken. Prue confirmed that Learning & Quality Committee would shortly consider the annual complaints and accolades report.

Governors **Noted** the whistleblowing annual report 2022/23.

135 Data Protection Breaches

Maria stated that one breach had been received on 09 June 2023 relating to student data being sent to another student. The breach did not concern sensitive data. The student had reported the breach and been asked to delete the email.

136 Regularity Self-Assessment Questionnaire (paper 453/23/A)

The College was required to submit the completed Regularity Self-Assessment Questionnaire to external auditors, Alliotts, to inform the regularity assurance engagement (which formed part of the 2022/23 financial statements regularity audit

process). The questionnaire demonstrated compliance with statutory requirements, including Managing Public Money and identified supporting evidence. Governors went through the questionnaire and agreed several amendments.

Governors **Agreed** to recommend the amended Regularity Self-Assessment Questionnaire to Corporation for approval and signature.

137 **Strategic Risk Register (paper 454/23/A)**

The College was expected to maintain an effective risk management framework to ensure that key strategic risks were identified, prioritised and managed. The register contained 25 strategic risks, of which 10 were *significant* and six *high* net risks with mitigating management action plans. The register highlighted the narrative and scoring changes made following the Strategic Risk Management Board meeting on 14 September 2023. The meeting had been observed by the Chair of Audit Committee.

The top three risks were failure to recruit and/or retain suitably qualified professional and teaching staff; failure to achieve and maintain a fit for purpose estate and facilities, and learning resources; and failure to maintain sufficient executive and senior management capacity. One risk concerning partnerships had been deleted as the College no longer operated any partnerships. There was a discussion about student recruitment for 2023/24 with Maria stating that, based on current projections, it was likely that the College would meet its ambitious target at the census date. Governors asked that the commentary and action plans/timelines column be updated to reflect the latest position. Governors noted that the College now had good enrolments systems and robust data. Governors asked Paola to circulate Strategic Risk Management Board meeting dates, noting it would be useful for Audit Committee members to attend meetings as observers during the year (two governors at each meeting maximum).

Governors **Agreed** to recommend the Strategic Risk Register to Corporation.

138 **Audit Committee Training & Development Plan 2023/24 (paper 455/23/A)**

Governors considered the Committee's current knowledge and experience and the proposed training and development opportunities for 2023/24. It was agreed that the internal auditors would run short sessions at the start of each meeting, starting with an overview of the Committee and its responsibilities at the following meeting. Paola would sign up for a place on the AoC Audit Committee masterclass in January 2024 on behalf of a Committee member.

Governors **Noted** the Audit Committee training & development plan and would undertake training in 2023/24.

139 **Meeting with Internal & External Auditors without Staff Present**

No matters were raised

Minute 140 was confidential

The meeting ended at 6.35pm