

**Minutes of the Meeting of the Corporation's Audit Committee
held on Tuesday 1 October 2024 at 4.00 pm by Virtual Attendance**

Committee Members	Appointed as	Chair/Vice	Apologies
Angela Moran	External Governor	Chair	
Emma Milson	External Governor		
Ian Watson	External Governor		

In Attendance

Kate Harding	Co-Opted Governor (<i>pending completion of pre-appointment checks</i>)	(until: 5:58pm)	
Sallyanne Pearson	Director of Governance		(DG)
Steve Kelly	Chief Financial Officer	(until: 5:58pm)	(CFO)
Richard Lewis	External Auditors (RSM)	(until:5:18pm)	(RSM)
Stephen Pringle	Internal Auditors (WBG)	(until:5:18pm)	(W&B)

(2425.1) 1	Welcome and Apologies for Absence	
	The Chair opened the Meeting and welcomed everyone to the first Audit Committee Meeting of the new academic year. Danny Metters (Principal and Chief Executive) was noted as absent for unavoidable reasons. The Chair acknowledged the resignation of Claire Walters (Co-Opted Governor) from the Committee; noting the Committee's thanks for Clare's commitment and contributions to the role. Kate Harding was introduced as a newly approved Co-Opted Governor who would be observing the Meeting pending completion of pre-appointment checks. Around the table introductions were undertaken. David Richardson, was noted as absent from the Meeting.	
(2425.1) 2	Declarations of Interest	
	<i>Reference was made to the Register of Corporation Members & Clerk Interests which was included for information in the Agenda Pack.</i>	
(2425.1) 2.1	To consider and declare , as required, amendments to the Register of Interest	
	It was reported that an annual email had been circulated which requested all Governors to review, consider and update declarations of interest/conflict. The Register of Interest is to be updated to reflect amendments. Kate Harding noted her employment at a Multi Academy Trust which included Sixth Form provision and having worked in a professional capacity with members of the Executive Leadership Team.	
(2425.1) 2.2	Items to be raised as part of the evening's business	
	None raised.	
(2425.1) 3	Minutes of the Previous Meeting	
	<i>Reference was made to the draft Minutes circulated as part of the Agenda Pack.</i>	
(2425.1) 3.1	Receive and approve the Non-Confidential Minutes from the Meeting held on Thursday 20 June 2024	
	The Minutes were RESOLVED as a true and accurate record and were APPROVED .	
(2425.1) 3.2	Receive and resolve the Action Summary and Matters Arising	
	<i>Reference was made to the document entitled : Audit Committee Action Summary – 1 October 2024 included in the Agenda Pack.</i> The Corporation noted and reviewed the Action Summary and its updates. Actions were RESOLVED and are detailed in Appendix 1 to these Minutes. Matters Arising were as follows: Action Point 23.25(a): A discussion was had around the undertaking, timetabling and alignment of internal audits (as detailed in the 2024/25 Internal Audit Plan) to Audit Committee Meetings. It was RESOLVED that three internal audits would be provided to each of the February and June 2025 Audit Committee Meetings.	

	<p>Action Point 23.25(a): Discussion was undertaken around the function of the Audit Committee (control) and the Finance and Resources Committee (performance). It was acknowledged that having shifted from the Carver Model there would be a period of development to ensure best practice in the format/content of information provided to Committees. The DG explained that she had met with the CFO to discuss the revised Terms of Reference and that alignment of reporting to the Committees could be considered as part of this work and completed by the next Committee Meeting.</p> <p>Action Point 23.35(a)(i): Reference was made to the development of the KPI document which was an action arising from the College's External Board Report. The Chair requested a timescale be set for the document. The DG is to liaise with the Principal and report back to the Audit Committee.</p> <p>ACTION: DG to provide the Committee with a timescale of when the KPI Document (arising from the External Board Report) will be circulated and in use</p> <p>Action Point 23.35(a)(iii): WBG confirmed that no individual members of staff were interviewed as part of the Staff Morale Audit and assurance had been sought from existing staff voice questionnaires. The Chair of the Committee acknowledged the process undertaken; noting its expectations/assumptions had been that a sample would be taken.</p> <p>Action Point 23.38(a)(ii): A discussion was undertaken around the Risk Register and Risk Management Action Plan. The CFO reported that both documents would be reviewed by the Principal and the Chief Executive, the Executive Leadership Team (ELT) and the College Management Team (CMT) as a whole and new versions developed. The CFO confirmed that an updated version of the Risk Register and Risk Management Action Plan (in its current format) was included as part of the evening's business.</p>	DG
(2425.1) 4	Annual Reports	
	<i>Reference was made to the Annual GDPR Report circulated in the Agenda Pack .</i>	
(2425.1) 4.1	Receive and advise the Corporation on its GDPR Report	
	<p>The Committee considered the Annual GDPR Report (appended to this record as Appendix 2). An increase in Freedom of Information (FOI) Requests and Subject Access Requests (SARs) was noted. The Committee acknowledged the same and opened a discussion on the information received. It was noted that further detail was required on the nature, frequency and origin of these requests (as well as the level of resources required to handle them) to allow a more thorough understanding.</p> <p>Action: Further information on FOI Requests and SARs to be provided to the Committee</p> <p>The Committee also discussed the use of WhatsApp for communication on College owned devices and queried the College's approach in light of data protection legislation and FOI Requests and SARs. The Committee requested further information on the College's approach to members of staff using applications, such as WhatsApp, on College devices and its inclusion/parameters set out within College Policy.</p> <p>Action: The College's approach to members of staff using applications, such as WhatsApp, on College devices to be ascertained and provided to the Committee</p> <p>The Committee acknowledged that no data breaches had been reported and noted this as a positive outcome.</p> <p>The Committee NOTED its receipt of the Annual Report, its request for further information and is to ADVISE the Corporation accordingly.</p>	<p>DG</p> <p>DG</p>
(2425.1) 5	Works of the Internal Auditors	
	<i>Reference was made to the wbg Internal Audit Plan 2024/25 September 2024 included in the Agenda Pack</i>	
(2425.1) 5.1	Consider and advise the Corporation on Internal Audit Strategy/Plan and fees (2024/25)	
	<p>WBG presented the Internal Audit Strategy and Plan for 2024/25. WBG summarised that it had been appointed from 1 August 2021 for a period of three years with an option to extend for a further two years. WBG confirmed that the College, as part of 2024/25 works were in the first (of a possible two) annual extensions. Areas contained in the Internal Audit Plan and a high-level scope of works were outlined. Internal Audits are to take place on Marketing, Learner Records, Procurement, Estates Management, Risk Management, Corporate Governance and a Follow-Up Review. Internal Audit Reports on Marketing, Learner Records and Corporate</p>	

	<p>Governance are to be presented to the Audit Committee in February 2025 and Estates Management, Risk Management and Procurement in June 2025. The Procurement Audit is to take place in latter part of the audit plan owing to the introduction of the Procurement Act in January 2025.</p> <p>WBG confirmed more detailed scope of works, on each audit area, would be provided nearer the start date of each audit.</p> <p>The Committee engaged in a thorough discussion about the Internal Audit Plan including scrutinising the six-year Internal Audit Schedule and reviewing possible, upcoming, areas of focus.</p> <p>The Chair of the Committee invited Richard Lewis (RSM) for his thoughts and consideration on the Internal Audit Plan. RSM noted the positive addition of Marketing and noted that Learner Records and ALS funding were coming under an increasing regulatory focus. The increased emphasis on Procurement (owing, in part, to incoming legislation) was noted and the value of an internal audit on compliance to policy and process endorsed. Reflecting on discussions of the evening the importance of cyber security was also raised.</p> <p>The Committee referred to the Six-Year Internal Audit Schedule and asked whether Staff Morale should be repeated more frequently owing to the changes to the staffing structures. The CFO explained that other internal audits, such as Human Resources would likely be scoped wide enough to cover as many areas as possible such as staff morale, wellbeing, retention etc. The Committee reflected further that the Six-Year Internal Audit Schedule did not reflect the additional Stock Control Audit which the College requested WBG to undertake. WBG acknowledged the omission and is to correct this.</p> <p>ACTION: WBG to amend the Six-Year Internal Audit Schedule to ensure it reflects the Stock Control Audit</p> <p>The Committee RESOLVED to RECOMMEND the APPROVAL of the Internal Audit Plan to the Corporation.</p>	WBG
(2425.1) 6	Financial Statement Auditors	
	<p>Receive an update on the progress of the Financial Statements Audit (Verbal)</p> <p>RSM provided an update on the progress of the Financial Statements Audit. It was reported that works had commenced over the summer and fieldwork (both off-site and on-site) would be taking place over the next two weeks. Review Meetings are scheduled between RSM, the CFO and the Head of Finance for mid to late October to start to finalising matters. RSM explained that the College's LGPS Pension Report, which confirmed accounting treatment would be the same as the previous year, was positive. RSM made specific reference to the Virgin Media caselaw on pensions and is to discuss this with the CFO. RSM summarised that the College had resolved its covenant issues but added that a non-contractual termination payment made in August 2023 (breaching the Managing Public Money Rules (MPM)) had not been granted retrospective consent from the DfE/ESFA and would be disclosed again in the current year's financial statements.</p> <p>The Committee NOTED the update provided.</p>	
(2425.1) 7	Outstanding Audit Recommendations	
	<p><i>Reference was made to the paper entitled: "Outstanding Audit Recommendations – September 2024" included in the Agenda Pack.</i></p> <p>Receive and consider an update on all Audit Recommendations</p> <p>The CFO provided an update on the outstanding audit recommendations. It was explained that recommendations from the 2022/23 Financial Statements Audit would remain until the current Financial Statements Audit was completed - at which point they would be resolved or addressed again. The CFO explained that, in respect of the recommendations detailed in 2023/24, an update was detailed for the Financial Control action and training on Budget Setting and Monitoring was scheduled for late October/early November. The Committee acknowledged the update.</p>	

(2425.1) 8	Risk Management	
	<i>Reference was made to the documents entitled: “High Level Risk Register 2024/25” and “High Level Risk Management Action Plan 2023/24” included in the Agenda Pack.</i>	
(2425.1) 8.1	Receive an update and close 2023/24 Risk Management	
(2425.1) 8.2	Receive and consider the revised Risk Management approach for 2024/25 (items taken as one)	
	<p>The CFO explained that the College’s Risk Register and Risk Management Action Plan was reviewed and updated regularly with key meetings and dates for actions now successfully integrated. The CFO reported however that owing to operational staffing changes (including the appointment of the new Principal and Chief Executive, new members to the Executive Leadership Team and the creation of the College Management Team) a comprehensive review, from all such operational personnel, needed to be undertaken.</p> <p>The CFO summarised that, at this point in time, no significant new risks had been identified except the introduction of HE Collaboration and Validation to the Risk Register.</p> <p>Reference was made to an email enquiry from a Governor (to the CFO) in advance of the Meeting - which questioned whether “actions to manage” had been updated and whether some were now outdated (Item 1 for the Record: Pre-meeting Email). The CFO confirmed that he had responded to the email and would ensure that these aspects were updated (Item 2 for the Record: Pre-Meeting Executive Response). Discussion continued and the Committee reflected that although “actions to manage” were detailed, the Committee had no assurance that these controls were being implemented and tested. Guidance was sought from WBG as to whether these “actions to control” would be encapsulated in, for example, a Risk Management Audit. WBG confirmed that individual controls identified would be tested during genre specific audits rather than during the Risk Management Audit. The CFO added that a number of the controls were also incorporated into other governance reporting provided. As part of this discussion between WBG and the Committee – it was acknowledged that there would be value in “mapping out” and identifying where assurance was already in place. RSM acknowledged the point raised and put forward that the Committee could seek to implement a Board Assurance Framework model which would incorporate the detail around how the Committee were assured the controls were in place and working effectively and tested as part of internal audit works. The CFO added that Risk Management Training for Budget Holders and Department Heads would also be rolled out to ensure ownership and understanding of risk. The Committee NOTED the same.</p> <p>The updated Risk Register and Risk Management Action Plan is to be provided to the next Meeting.</p> <p>ACTION: Revised Risk Register and Risk Management Action Plan to be provided to the next Meeting.</p> <p>The Committee acknowledged the ongoing process and supported the development and improvements proposed.</p> <p>The Chair of the Committee noted, for the record, that the 2023/24 Risk Register and Risk Management Action Plan would not “close” and that the ELT would need to give consideration as to how the 2023/24 format would be captured and incorporated, in full, into the revised version.</p>	CFO
(2425.1) 9	External Reporting (Funding/Assurance Bodies)	
	<i>Reference was made to the correspondence received from the ESFA addressed to the College (dated 23 July 2024) relating to non-contractual termination payments.</i>	
	DfE Correspondence regarding special severance payments	
	<p>The CFO noted the correspondence received. It was explained that the DfE/ESFA had not provided retrospective consent to the College for the payment of two non-contractual termination payments. The Committee acknowledged the correspondence and noted the critical importance that no future breaches be incurred. RSM confirmed that there were no repercussions for the breach but it would be noted on the College’s record.</p> <p><i>Richard Lewis (RSM) and Stephen Pringle (WGB) left the Meeting 5:18pm.</i></p>	

(2425.1) 10	Tendering Discussion	
	<p>Consider and discuss when the retendering of the Internal Auditors and the Financial Statement Auditors is to take place</p> <p>The Committee noted and discussed their understanding of the timescales involved in the retendering for Financial Statement Auditors (External Auditors) and Internal Auditors. The CFO confirmed that the External Auditors needed to be retendered at least every five years and although Internal Auditors did not have any such specific requirement – they were generally reviewed along the same timescale.</p> <p>A Governor raised the question of workload and whether it would be beneficial to stagger the tenders to avoid a heavy workload. The CFO confirmed the previous tender process involved both sets of auditors within a few months, which was manageable but required significant effort. The Committee considered the possibility of deferring the External Audit tender for another year (subject to the five year requirement) and focusing on the Internal Auditors first.</p> <p>The CFO and the DG agreed to double-check all of the documentation to ensure compliance with the five-year rule (for the retendering of the External Auditors) and to determine tendering timescales. The Committee acknowledged the need for a thorough review and agreed to revisit the tendering discussion in the next Meeting.</p> <p>Extensive discussion was undertaken and it was agreed, in principle, that the retendering process for the Internal Auditors should be undertaken in readiness for the successful appointment to carry out internal audit works in August 2025/26 providing the timeframe for the retendering of the External Auditors aligned accordingly. The Committee noted their understanding that they would remain within the five year retendering requirement for the External Auditors if this approach was taken.</p> <p>Further discussion was undertaken around the Committee’s levels of assurance arising from the works of the Internal Auditors. It was acknowledged by the CFO that further clarity in the scoping of the internal programmes was likely to assist with this.</p> <p>It was RESOLVED that the CFO and DG would investigate the appointment date of the External Auditors to ascertain the regulatory retendering timeline and propose a retendering schedule for both Internal and External Auditors. An update is to be provided to the Committee as a priority.</p> <p>ACTION: CFO and DG to determine the appointment date of the External Auditors and propose a retendering schedule for both Internal and External Auditors</p> <p><i>The CFO and Kate Harding left the Meeting at 5:58pm</i></p>	CFO / DG
(2425.1) 11	Any other Urgent Business	
	<i>This item was taken as Restricted Confidential</i>	

There being no further business the Meeting closed at 6.31pm

Signed by

Chair _____

Name _____

Date _____

Appendix 1

Min Ref	Title	Action Point	Person/s Responsible	Action	
				Taken	C/F
Wednesday 21 February 2024					
23.25(a)	Internal Audit	<ul style="list-style-type: none">DG and CFO to ensure the internal audit assignment/timetable aligns to the Audit Committee’s Meeting schedule Update 20 June 2024: Carried Forward	CFO / DG	Complete / Remove as Action	
		<ul style="list-style-type: none">CFO and DG to review reporting provided to the Finance and Resources Committee and determine whether any need to be realigned to the Audit Committee’s Cycle of Business Update 20 June 2024: Carried Forward	CFO / DG	Update Provided / Carry Forward	
Thursday 20 June 2024					
23.34(a)	Minutes of the Previous Meeting	<ul style="list-style-type: none">DG to amend the Minutes of the Audit Committee Meeting held on 21 February 2024, as appropriate	DG	Complete	
23.35(a)(i)	Internal Audit	<ul style="list-style-type: none">DG and Principal and Chief Executive to develop a KPI document in the format advised by the External Board ReviewerCorporate Governance Audit to be included in the Internal Audit Plan for 2024/25 or 2025/26 and to incorporate a review of the actions implemented from the External Board Review.W&B to confirm whether a sample of the staff voice was obtained as part of the Staff Morale AuditDG to review when tendering for the internal and external auditors was last undertaken, the length of time served and when retendering works need to be undertaken	DG and Danny Metters	Update Provided / Carry Forward	
			CFO	Complete	
23.35(a)(iii)			W&B	Complete	
23.35(c)(ii)			DG	On Agenda / Complete	
23.36(b)(vi) 23.38(a)(ii)	Risk Management	<ul style="list-style-type: none">DG to circulate Emerging Risks Report to the CorporationPrincipal and Chief Executive to review the Risk Register and Risk Management Action Plan, in full, in readiness for the first Audit Meeting of the 2024/25 academic term	DG Danny Metters	Complete Update Provided / Carry Forward	
23.40	College Financial Handbook 2024	<ul style="list-style-type: none">DG to include a requirement to review the College Financial Handbook in the annual governance cycle going forward	DG	Carry Forward	

Appendix 2
GDPR Annual Report

1. Terms of Reference

Report is for information.

2. Fitness for Purpose

This report is to provide an overview of the progress/work being completed by the college to comply with the GDPR legislation.

3. Update / Progress made

During the past 12 months the college has maintained its legal obligations in relation to complying with GDPR regulations by:

Working with departments to handle queries in relation to GDPR

Working with departments to obtain new and maintain existing data sharing agreement and populate the data sharing agreement register – 119 new data sharing agreements have been completed and recorded – a total of 525 data sharing agreements are currently in force. A self-service dashboard has been created to allow staff to review existing data sharing agreements and monitor renewal dates.

Co-ordinating and responding to Subject Access Requests within the allocated timeframe – 6 formal Subject Access Requests have been recorded with the Data Protection Officer. 1 Police request, 4 staffing related requests and 1 student request. The relevant information was gathered and provided within the required timescales. The requests have significantly increased in scale and complexity.

Co-ordinating and responding to Freedom of Information Requests within the allocated timeframe - 27 formal Freedom of Information Requests have been recorded with the Data Protection Officer.

Investigating and responding to Data Breaches – 0 data breach has been recorded internally.

Ensuring privacy statements and other statutory notices are correct and relevant – working with various departments to ensure that privacy statements are reviewed annually and published on the college website and iLearn.

Ensuring that the policy and procedural documentation is maintained – policies and procedures are reviewed and updated in accordance with the college review cycle or following changes to GDPR legislation.

Audit – the last GDPR audit was conducted by Mazars in May 2021. No outstanding actions.

Electronic Data Leakage – We have enabled file monitoring within MS Teams and our Anti Virus software monitors file activity from portable drives and USB drives. We have blocked access to alternative cloud storage such as Google Drive, DropBox etc

Delivering training to new starters and refresher training to all staff – a new GDPR training module was released in April 2021. This is rolled out to all staff on a 2 year refresher cycle and to all new starters.

Ensuring that all new systems have a privacy impact assessment and data sharing agreement – on initiation of a new project or systems rollout the project owner is responsible for completing a Privacy Impact Assessment. These documents are then reviewed by the Data Protection Officer and if necessary a Data Sharing agreement is produced.

Updating and maintaining our registration with the ICO – the registration is reviewed annually to ensure the correct data processing types are notified the ICO.

Damien Blackburn
Director of IT and Learning Resources
September 2024