

Minutes of the Meeting of the Corporation's Audit Committee held on 26 June 2025 at 4.00pm by Virtual Attendance

Committee Members	Appointed as	Chair/Vice	Apologies
Ian Watson	Independent Governor	Chair	
Chris Henson	Independent Governor		
Emma Milson	Independent Governor		
David Richardson	Independent Governor		<i>Apologies received</i>
Kate Harding	Co-Opted Governor		
In Attendance			
Kate Calvert	Chief People Officer	<i>(until 4.24pm)</i>	(CPO)
Steve Kelly	Chief Financial Officer		(CFO)
Richard Lewis	External Auditors (RSM)	<i>(from 5:27pm until 6.06pm)</i>	(RSM)
Sallyanne Pearson	Director of Governance		(DG)
Colin McNeil	Internal Auditors (wbg)	<i>(until 5:02pm)</i>	(wbg)

(2425.4)

1 Welcome and Apologies for Absence

The Chair welcomed everyone to the Meeting. Apologies for absence were received, **with consent**, from David Richardson. Colin McNeil was welcomed and introduced to the Meeting. Colin McNeil was introduced to the Meeting. It was explained that Stephen Pringle, the College's main point of contact at wbg, was unable to attend. Colin McNeil was attending in his place as his representative

2 Declarations of Interest

(the Register of Interest: Corporation Members, Executive and Director of Governance was included in the Agenda Pack)

2.1 Consider and declare, as required, amendments to the Register of Interest

None raised.

2.2 Consider and declare conflicts of interest to items arising as part of the evening's business

The following were noted:

- Item 5.4: Stephen Kelly and Danny Metters: Annual Discussion with the Internal Auditors
- Item 5.5: wbg: Performance/Reappointment of the Internal Auditors
- Item 8.1: Ian Watson (parent of child at Residential Student. Non-Bursary Student)
- Item 5.5: Kate Harding (currently involved in a tendering process with wbg at another institution)

The Committee's attention was specifically drawn to Item 5.5, which had been declared earlier in the day, and to Item 8.1. The Committee noted the same. No request for withdrawal from discussions.

3 Minutes of the Meeting held on 20 February 2025 and Actions Arising

(the Non-Confidential Minutes of the Meeting held on 20 February 2025 and the Action Summary and Matters Arising were included in the Meeting Pack)

The Non-Confidential Minutes of the Meeting held on 20 February 2025 were **APPROVED**.

The Action Summary was reviewed. It was agreed that all items detailed as 'on Agenda' would be addressed during the Meeting. The Committee **RESOLVED** all actions as complete unless anything arose during the evening's business.

4 Health and Safety

(the Health & Safety Report was included in the Meeting Pack)

The CPO provided a summary overview of the Termly Health and Safety Report, which included a detailed breakdown and analysis of slips, trips, and falls, as requested by the Committee. The CPO confirmed that the data did not reveal any trends or patterns requiring further action.

A comparative overview of the Health and Safety performance, between the Bishop Burton and Riseholme campuses, on the whole was undertaken.

Governors referred to the “Departmental 3 Year Comparison” and the reduction in equine accidents. The CPO explained this was owing to a reduction in horse riding taking place meaning the frequency of accidents/injuries had reduced. Discussion was then undertaken around how accidents and incidents (including for sporting events) were recorded and monitored by the College both on and off site. **A Governor identified that some of the titles (on the horizontal axis of the bar graph) were not readable and requested the CPO provide Management the full titles.** A discussion around the title “struck by moving or.....” was referenced in particular owing to a current focus, from the Health and Safety Executive (HSE), to accidents/incidents relating to moving vehicles. **A Governor commented that the labelling (as presented) did not provide enough information or contextualisation.** The CPO is to circulate the information to the Committee.

Reference was then made to the bar graph entitled “Department 3-year Comparison”. **A Governor noted the increase in accidents/incidents in the Animal / Animal Unit.** Discussion was undertaken by the Committee and it was **RESOLVED** that a deep dive into these areas be provided as part of the next Termly Report to the Committee. The Principal noted the data could have been impacted by the outbreak of the Avian Flu.

ACTIONS:

- **CPO to provide clarity on the types of “types” of accidents detailed on the “Accident Type 3-year comparison” table.**
- **CPO to provide a deep dive analysis on accidents/incidents occurring in Animal Management/ Animal Unit in the next termly Health and Safety Report.**

A Governor asked whether External Independent Health and Safety Inspections and/or Audits were conducted at the College. The CPO and Principal outlined area/genre specific inspections, the undertaking of an annual Health and Safety Audit and explained the role of Landex in providing assurance of their health and safety practices.

Governors noted the RIDDOR event detailed and requested an update on the position.

Part of this item was taken as confidential

The Committee **noted** the report in its monitoring of all matters relating to Health and Safety.

Kate Calvert left the Meeting at 4:24pm

5 Internal Audit

(The following internal audits were included in the Meeting Pack: Learner Records, Estates Management, Risk Management and Procurement. The following documents were also included: the Internal Audit – Follow Up Review (2025/26), the Annual Report (2024/25), the Annual Discussion with the Internal Auditors Report, the Performance/Reappointment of the Internal Auditors Report and the Internal Audit Plan 2025/26)

5.1 Internal Audit Reports

wbg reported to Committee and confirmed upon enquiry that he had not been involved in the audit works. Each Internal Audit Report was taken in turn and recommendations and management responses detailed, including:

Learner Records

- Overall Conclusion: Substantial Level of Assurance
- Recommendations: One Medium Level & One Low Level

A Governor queried the size of the sample (confirmed as 30 students), noting evidence of only one discrepancy within the sample and enquired whether aligning a “Medium” risk was proportionate given the sample size. Wbg were unable to provide clarity owing to not having been involved in the audit.

The Committee **noted** the recommendations made and the Management Responses to the same.

Estates Management

- Overall Conclusion: Strong Level of Assurance
- Recommendations: One Low Level

A Governor referred to the College’s Control of Contractors Policy and sought assurance from the Executive Team that the Policy was being reviewed and updated in line with the recommendation made. The CFO confirmed it would be updated by the end of the month.

The Committee **noted** the recommendation and the Management Responses to the same.

Risk Management

- Overall Conclusion: Strong Level of Assurance
- Recommendations: Two Low Level

A Governor sought confirmation that the Risk Register and the High-Level Risk Register Action Plan now included the recommendations put forward by the Internal Auditor. The CFO confirmed they were but noted that the College’s Strategic Priorities were under review and once finalised would be included.

The Committee **noted** the recommendations and the management responses to the same.

Discussion was then opened around the number of Governors who had completed the Risk Management Survey and whether all categories of Governor had received the questionnaire. The wbg representative did not know the detail but is to make enquiries from Stephen Pringle.

ACTION: wbg to provide detail on which Governors received the Risk Management Questionnaire

Procurement

- Overall Conclusion: Strong Level of Assurance
- Recommendations: Two Low Level

The Committee **noted** the recommendations and the management responses and the inclusion of the Procurement Policy as part of the evenings business.

5.2 Internal Audit - Follow Up Review (2024/25)

Wbg outlined the Internal Audit Follow Up Review and noted as follows:

- Overall Conclusion: Strong Level of Assurance
- Recommendations: Two Low Level

The report was considered by the Committee. **A Governor noted only two recommendations had been detailed which appeared relatively low in number. It was asked whether this was correct.** Wbg reported that testing was ordinarily completed on a number of areas and the areas selected had only found a small number of issues. The Committee considered the same and requested Stephen Pringle to review it ensure it was accurate.

ACTION: wbg to review the details of the Follow Up Review and clarify to the Audit Committee whether it was accurate that only two low level recommendations had been found in the follow up review.

5.3 Internal Audit - Annual Report (2024/25)

Wbg outlined the Audit Findings as follows:

Audit Area	Overall Conclusion	Number of Recommendations		
		High Priority	Medium Priority	Low Priority
Estates Management	Strong			1
Corporate Governance	Strong			
Marketing	Substantial		2	1
Learner Records	Substantial		1	1
Procurement	Strong			2
Risk Management	Strong			2
Follow Up	Strong			

Discussion was undertaken around the Key Performance Indicators (KPI). **A Governor noted the 57% actual response against a 100% target for the following KPI: “Management provide responses to draft reports within 15 working days of receipt of draft reports”.** A Governor asked for clarity around this. The KPI Target was explained to be set by wbg to ensure timely responses from management on draft internal audit reports circulated. Management responses to the Risk Management, Estates Management and Learner Records audits must have been outside the timeframe. The CFO acknowledged the KPI but explained, operationally, the College had to work towards operational timeframes to ensure the reports were circulated through internal meetings including the College Management Team Meetings. The response time of 15 workings was noted as unrealistic and should be reviewed.

5.4 Annual Discussion with the Internal Auditors

The DG noted limited value in holding the confidential discussion owing to the wbg’s representative lack of involvement with the internal audits/Committee. The Committee **RESOLVED** that a Special Audit Committee be convened to allow the discussion to take place with Stephen Pringle of wbg.

ACTION: Special Audit Committee Meeting to be convened to undertake the Annual Discussion with the Internal Auditors.

Agenda Item 5.6 was then undertaken prior to Colin McNeil leaving the Meeting.

5.6 Internal Audit Plan 2025/26

It was explained that the Internal Audit Plan did not ordinarily come to this Meeting but timely preparation had enabled earlier sight. An overview of the Internal Audit Plan was provided, which would focus on:

- Safeguarding
- Fixed Assets
- Value for Money, Catering, Hospitality and Events
- Strategic Planning
- Funding Apprenticeships
- Cyber Security

The Committee requested clarity on who had decided the areas proposed for internal review and whether Governor input had been sought. The CFO confirmed the plan had been developed based on Audit Need Assessment and in consultation between wbg, the Principal and CFO. The DG put forward that the involvement of the Chair of the Audit Committee had recently been reaffirmed especially with the drafting of internal audit scopes of work, to ensure they reflected the expectations and requirements of the Governors. Following discussion, it was determined that Governor input had not been involved to date and the involvement of the Chair of the Audit Committee previously, is to be explored.

ACTION: DG to review and explore the involvement of the Chair of the Audit Committee in setting the scoping criteria for each of the Internal Audits

The Committee **RESOLVED** to advise the Corporation to approve the Internal Audit Plan pending clarification of the involvement of the Chair of the Audit Committee.

Colin McNeil left the Meeting at 5.02pm

5.5 Performance/Reappointment of the Internal Auditors

The Committee opened discussion on the performance of the Internal Auditors.

The CFO explained that wbg had historically carried out a good and professional service noting that the biggest strength of wbg was their size which allowed for sector benchmarking. It was commented that the Audit Committee had already endorsed the continuance of wbg for the 2025/26 period and a retendering process would begin in March 2026.

Part of this item was taken as confidential

The Committee **noted** their continuance with wbg as the College's Internal Auditors and that there was no change to the professional fees.

6 Financial Regulations and Procurement Policy

(the Financial Regulations and Procurement Policy were included in the Meeting Pack)

6.1 Financial Regulations

The CFO summarised that the full, annual, review had taken place on the Financial Regulations. It was explained, in line with the request of the Audit Committee, that terms such as 'should', 'must', 'shall', and 'will' had been reviewed and amended. The monetary value of tender and quotation amounts have been adjusted in line with the Committee's previous decisions and reference to "single suppliers" (noted as a recommendation arising out of the Procurement Internal Audit) has also been included.

The DG proposed some further alterations/considerations should be considered and these are to be reviewed and considered in advance of the Financial Regulations being provided to the Corporation Meeting on 8 July 2025.

ACTION: DG and CFO to discuss further alterations and consideration to the Financial Regulations

The Committee **RESOLVED** to advise the Corporation to **APPROVE** the Financial Regulations pending the confirmation of the further amendments/considerations between the DG and the CFO having taken place.

6.2 Procurement Policy

The Policy was taken as read. The CFO reported that the recommendations noted in the Procurement Internal Audit were reflected in the Policy.

A Governor requested that "which came into force on 24 February 2025" be added in Paragraph 2 (Procurement Principles) after the wording "The Procurement Act 2023" to align with best practice. Discussion was undertaken and the CFO is to insert the wording.

A Governor also commented that the Policy did not include any information on the actual procurement process or the routes to buy and put forward that inclusion of these elements would provide clarity. The CFO noted the suggestion; adding it was likely that the policy would need to be amended further going further.

The Committee considered how both the Financial Regulations and the Procurement Policy interrelated and requested that financial limitations/approval requirements be provided in a summarised format in the Financial Regulations. The CFO confirmed it was not necessary for this to be included in the Financial Regulations which was a document utilised operationally. Following discussion, it was agreed that a flow diagram of financial limits/approval requirements would be added as an appendix to the Procurement Policy.

ACTIONS:

- **CFO to include the wording "which came into force on 24 February 2025" after "The Procurement Act 2023" in Paragraph 2 (Procurement Principles)**
- **CFO to include an Appendix in the Procurement Policy which sets out the financial limits/approval thresholds**

The Corporation **RESOLVED** to **APPROVE** the Procurement Policy pending completion of the suggested amendments.

Richard Lewis (RSM) entered the Meeting: 5:27pm

7 Financial Statements Auditors

(the Audit Plan for year ended 31 July 2025 and RSM's Emerging Issues (Spring 2025) were included in the Meeting Pack)

7.1 Audit Plan 2024/25

RSM provided a summary overview of the Audit Plan.

The scope of the audit plan, timeline, audit risk and approach were outlined. The Committee's attention was drawn, in particular, to the assessment of Going Concern (and RSMs awareness of the College needing to secure a Waiver Letter from the Bank) and the risk relating to the treatment of the pension scheme.

The Committee **noted** the same.

7.2 Teachers' Pensions' End of Year Certificate

Item carried forward owing to absence of College personnel.

ACTION: Teachers' Pensions' End of Year Certificate to be added to the next Audit Committee Agenda.

7.3 RSM Emerging Issues (Spring 2025)

RSM provided an overview of its Emerging Issues (Spring 2025) Newsletter. The Committee noted that areas identified as emerging issues were included in the College's Internal Audit Plan for 2025/26.

The Committee **noted** the same.

8 External Assurance / Regulatory Compliance

(the ESFA Funding Assurance review 2023-24 – Residential Bursary Fund, ESFA Financial Statements Review 2023-24 & Dashboards, College Financial Handbook 2025 Update and Report on the Letter from the FE Commissioner - Financial Benchmarks, were included in the Meeting Pack)

8.1 ESFA Funding Assurance Review (2023/24): Residential Bursary Fund

The Committee received the Report and Recommendations on the ESFA Funding Assurance Review (2023/24) for the Residential Bursary Fund. The discussion focused on the management responses to the recommendations. The CFO confirmed that the recommendation made had been added to the Outstanding Audit Recommendations Report, which was provided to the Committee for their monitoring and review.

The Committee **noted** receipt of the Assurance Review and resolved to **monitor** the implementation of the recommendations.

8.2 ESFA Report on the College's Financial Statements

The document was taken as read. The CFO confirmed that the Financial Statements Review (2023/24) had been provided to last Corporation Meeting and had been included in the Meeting Pack for completeness.

The Committee **noted** receipt of the same.

8.3 College Financial Handbook 2025

The Committee were informed that the College Financial Handbook had been released the previous day. A summary overview of the changes made were provided to the Committee by RSM.

The Committee **noted** receipt of the same.

8.4 Letter from FE Commissioner - Financial Benchmarks

The Committee considered the amendments made to the FEC Financial Benchmarks as outlined in the letter from the FE Commissioner. The discussion focused on the implications of these amendments for the College's financial performance and compliance to the same.

The Committee **noted** receipt of the same.

9 Outstanding Audit Recommendations

(The Outstanding Audit Recommendations (June 2025) Report was included in the Meeting Pack)

The CFO provided a summary overview of the Outstanding Audit Recommendations, paper. It was explained that the recommendations from the 2023/24 Financial Accounts would be considered and addressed as part of the Financial Statements Audit for the year ended 2024/25. The Committee noted the importance of ensuring timely implementation and the need for regular updates and monitoring to ensure that all recommendations are effectively addressed.

The Committee **noted** receipt of the same its continued **monitoring** of outstanding audit recommendations.

10 Risk Management

(the High-Level Risk Register 2024/25 and the High-Level Risk Management Action Plan 2024/25, were included in the Meeting Pack)

The Committee considered the updates and noted the changes to format to the Risk Register and Risk Management Action Plan which aligned to recommendations made in the Risk Management Internal Audit as well as previous requests made of the Committee. The Committee's attention was drawn to the new entry on the Risk Register (inserted at the bottom of the table). It was explained that this specifically related to the Riseholme campus and had been considered and included at the request of the Curriculum and Quality Enhancement Committee. The Risk Register and Action Plan are to be amended to make explicit reference to the "Riseholme" campus to avoid ambiguity.

A Governor asked whether a target risk score should be included as a way of measuring progress to mitigate risk. **The CFO responded it was not necessary.**

11 Appointment of Committee Chair

(the Appointment of Committee Chair Report was included in the Meeting Pack)

The DG summarised the content of the report and opened discussion with Committee members. Discussion was undertaken and any further nominations or proposals requested. The Committee **noted** their support to Chris Henson being put forward for appointment as Committee Chair.

The Committee **RESOLVED** to **ADVISE** the Corporation of their support to the nomination of Chris Henson as Chair of the Audit Committee.

The Committee also **noted** its thanks to Ian Watson for his commitment to the role of Chair of the Committee.

12 Finance Department Self-Assessment Report

(the Financial Department Self-Assessment Report was included in the Meeting Pack)

The CFO talked the Committee through the Finance Department Self-Assessment Report for Succession Planning purposes. The report detailed the departmental structure, potential changes to the systems infrastructure, future proofing and new appointments made to the Finance Team.

The Committee **noted** the same.

13 Any other Urgent Business

None raised.

Date of Next Meeting

The DG confirmed that these had been diarised and would be circulated, once approved, at the Corporation Meeting on 8 July 2025. It was noted however that the dates of the Audit Committee Meeting had been brought forward slightly on some occasions. The CFO and RSM acknowledged their awareness of the same and ability to meet the deadlines.

Richard Lewis and Steve Kelly left the Meeting at 6:06pm.

Closed Discussion between the Principal and Committee Members

Part of this item was taken as Restricted Confidential

There being no further business, the Meeting closed at 6:12pm.

Chair _____

Name _____

Date _____