



AUDIT COMMITTEE

MINUTES of the Meeting of the AUDIT Committee held on 25 September 2024 at 13.00 via remote participation

Members present: Gillian Lancaster Amali de Alwis Imran Razzaq Gurpreet Kaur	External member and Chair External member External member Co-opted	
In attendance: Lee Glover Anita Fahey Chris Payne Jacky Gearey	Validera for item 1.4 Finance Specialist Interim Director of Finance & Data (FD) for items 1.3 & 1.5 Clerk	
Quorum 2 members		
	Agenda Item	Action by
	Opening of meeting The Chair opened the meeting at 13.01 and welcomed Anita Fahey, the finance specialist and lead on internal audits.	
	Apologies for Absence There were no apologies.	
	Declarations of interest There were no declarations of interest.	
1.1	Minutes of Previous meeting The committee approved the following as an accurate record of the meeting held and decision taken: (i) minutes of the meeting held on 26 June 24 Resolved that the minutes were an accurate record of the meeting held 26 June 2024	
1.2	Open Matters Arising Item 4.4 - provide a report on the internal audit work on the apprenticeship student records sample size for next meeting – sample size was 15 and 15% of the available number. Item 4.7 - advise the Board on apprenticeship volumes at next board meeting – 8 October 24. All other actions had been closed and there were no other matters arising.	
1.3	Notification of any matters for concern (e.g. fraud, whistleblowing) The FD confirmed that there had been no matters of concern to report.	
1.4	Internal Audit Reports Lee Glover from Validera, which provides the internal audit services to the College, gave an overview of the internal annual report for 23/24 followed by a progress report on the four separate internal audits plus the follow up actions audit carried out in 2023-24.	

	<p>Annual Audit Report 23/24 The Committee had approved the 25 audit days and the reviews were delivered within this budget. Validera confirmed that findings and agreed actions had been reported to the College through the provision of individual reports and these were presented to the audit committee. Recommendations raised in the reports have been responded to by management and where appropriate reasonable implementation plans put in place to address the issues reported.</p> <p>Internal Audit Reports Health & Safety – overall adequate assurance provided with the following comments made as areas for improvement:</p> <ul style="list-style-type: none"> • Contractor compliance checks to be recorded – the Chair asked for clarification on this - these referred to due diligence checks e.g. insurance, DBS etc, i.e. need for college to confirm with the contracting company that these had been done. • Monitoring of reactive works • Management review of risk assessments • Insufficient reporting of accidents, and • Special Educational Needs and Disabilities (SEND) policy is out of date – this had been updated and was being presented to the Education committee imminently. <p>Student Records - Apprenticeship onboarding ILR reviews - provided overall substantial assurance with many areas of good practice. It was noted that this was a good outcome especially as funding rules are very complex and frequently change. Of note areas for improvement included not utilising learner support funding and apprentice quarterly reviews were not signed. The committee discussed this latter point which was of major importance as this is part of the funding requirements. It was the employer signature which was challenging to obtain. The committee asked if there was an annual control. FD said that this would be checked to ensure they are processes in place to address this.</p> <p>Performance Management – provided overall substantial assurance – with the following points noted as good covering: management information generated on a consistent basis, Key Performance Indicators (KPIs) are reviewed on an annual basis with clearly defined roles of reporting and the Strategic Plan action plan is regularly updated. Areas for improvement covered reviewing the number and fields reported on the KPIs, i.e. remove duplication and include trend and variance analysis.</p> <p>CFC - Budgetary Control - draft overall substantial assurance provided with areas of good practice clearly seen (management accounts provided good analysis of year end budget, year to date and forecast year end position, good user guide for monthly budget holder report and budget holders understand their roles and responsibilities) and no areas identified for improvement. The committee said that this was a testament to the amount of hard work undertaken by the FD and his team.</p> <p>Follow up 23/24 actions – provided overall adequate assurance over the design and application of controls on the audit output tracker. Suggested to add an archive tab to the tracker where completed actions can be moved to after being reviewed by the audit committee as there is no current provision for revised/completion dates therefore difficult to monitor any slippage. This has now been actioned.</p> <p>Resolved that:</p> <ol style="list-style-type: none"> the Annual Internal Audit Report for 23/24 was received and noted by the committee The internal audit reports for: Health & Safety; Student Records - Apprenticeship onboarding ILR reviews; Performance Management, CFC - Budgetary Control and Follow up 23/24 actions were received and noted by the committee 	
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	<p>Draft Internal Audit Plan for 2024-25</p> <p>FD advised a slight revision to the plan for 24/25 based on the improved internal audit process for this year and discussion with both the Finance Team and Executive Leadership Team. The following changes were suggested to be agreed by the committee:</p> <ul style="list-style-type: none"> • Add a new audit around safeguarding – based on this being a high risk area, increasing learner (and referral volumes) and staffing changes • Delay the Estates Management/Services audit until 2025-26 as this is currently not a high risk area • Delay the Risk Management audit until 2025-26 • Cyber-security audit to go ahead but would mean a slight increase in the number of audit days. The committee talked about the viability of an AI centred audit, but it was felt to be too soon with FD confirming that he would bring an update on the approaches taken to AI for the March meeting. <p>The committee agreed to the proposed changes to the 2024-25 plan as above.</p> <p>Resolved that:</p> <p>(i) the Draft Internal Audit Plan for 2024-25 was received and approved by the committee to include the following:</p> <ul style="list-style-type: none"> • Addition of safeguarding audit • Delay both the Estates Management/Services audit and Risk Management audit until 2025-26 • Cyber-security audit – increase the number of days <p>(ii) FD to provide the committee with the approaches to be taken regarding AI for March meeting</p>	FD
1.5	<p>Risk Management – item changed to Output Actions Tracker</p> <p>The report provided an update on progress with recommendations resulting from internal and external audit work carried out over the period September 2022 to date. The main area of overdue actions is around information governance, with the majority of these actions partially complete and that all current activities are in line with policy and legislation. The backlog of 'catch-up GDPR' activity referred to by FD to be cleared quickly and by Christmas with the recent recruitment of additional resources. Finally following a recommendation in the 'follow-up audit' an additional section has been added for the committee showing all completed actions during the year this will ensure that there is no slippage.</p> <p>Resolved that the Output Actions Tracker update was received and noted by the committee</p>	
1.6	<p>Committee self-assessment</p> <p>The response rate was 100%. Attendance rate was down to 75% from 90% the previous year. This year the survey was completed by the interim Director of Finance for total inclusion. The committee had a consensus view on the appropriate diverse mix of skills and experience of the committee, clear terms of reference, an annual audit committee report is provided to the Board, there is a risk management framework in place, and that the committee was actively involved in the internal audit's scope and has advised the Board accordingly. Of note, the committee was not sure if managers had adequate knowledge of risk management in the College either through regular training or in an induction programme. FD advised that this was an area for development as training was currently ad hoc and agreed to build this into the Risk Management policy.</p> <p>Resolved that:</p> <p>(i) the Committee self-assessment was received and noted by the committee</p>	

	(ii) FD to build in Risk Management training for managers into the Risk Management Policy	FD
1.7	Any Other business There was no further business.	
1.8	Items to be taken forward to next Board Meeting 1. Internal Audit Plan for 24/25	Clerk
	Date of Next meetings 1. 13 November 2024 at 11.00	
	Close of Meeting Meeting closed at 13.37	