AUDIT COMMITTEE

MINUTES of the Meeting of the AUDIT Committee held on 20 June 2025 at 14.00 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: Harshil Hirani Steven Connors Mark Smith Chris Payne Jacky Gearey	Engagement Manager, Buzzacott for item 4.4 Validera for item 4.7 CEO Interim Director of Finance & Data (FD) for items 4.3, 4.5, 4.6, 4.8 and 4.11 Clerk

Quorum 2 members

	Agenda Item	Action
	Opening of meeting The Chair opened the meeting at 14.30	
	Apologies for Absence There were no apologies.	
	Declarations of interest There were no declarations of interest.	
4.1	**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 12 March 25 **Resolved that the minutes were an accurate record of the meeting held 12 March 2025**	
4.2	**Open Matters Arising**	
	Item 1.4 provide the committee with the approaches to be taken regarding AI for March meeting – see item 4.11. Closed **Item 3.6** – Internal audit - provide costs for a rolling DBS facility at next meeting. A recent safeguarding audit had recommended that in any given 36 month period it would be good to revisit DBS checks, the reasoning being to keep this current. There was a discussion of the costs to the College vs making a personal application and FD said he would talk to the Head of People regarding this. TBA at next meeting. All other actions had been closed and there were no other matters arising.	**FD**
4.3	**Notification of any matters for concern (e.g. fraud, whistleblowing)**	
	The FD confirmed that there had been no matters of concern to report. There had been one notification to ICO regarding software which was shared with the Chair of Audit and staff and no further action had currently been required.	

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4.4	**External audit / Buzzacott planning for 24/25**	
	The audit strategic prepared by Buzzacott, covered the financial statements audit 24/25, regularity assurance for the College's income and expenditure 24/25 and the teachers' pension scheme with the timelines for the external audit process outlined. The external auditor summarised the list of key changes from the previous year and set out the main changes and considerations coming from the 'Framework and guide for external auditors and reporting accountants of colleges for 2024/25'. Whilst certain pressures remain, the College is anticipating a small surplus of £52k in 2024/25 as a result of savings in pay costs and more fundraised income than budgeted. Buzzacott then referred to the issue of the going concern assessment and income recognition both of which will be treated as areas of audit significance i.e. elevated risks. The Chair referenced in the strategy the group structure regarding service charge from NCDS Ltd, which the FD confirmed will be reviewed again. Finally reference was made to sector updates in particular the recent announcement by the DfE of an additional £160m investment in 2025-2026 financial year to support colleges to address immediate priorities and the governance failures at Weston College which were then briefly discussed. There were no further questions. Harshil Hirani left meeting at 14.45 **Resolved that the Buzzacott – 24/25 External audit planning & costs were received and noted by the committee**	
4.5	**Audit actions and output tracker**	
	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 FD provided a summary table highlighting progress against the majority of actions including on the most recent audits. The tracker covered the following audit activity: **Internal audit 2022-23** ● Information Governance – the remaining actions were now completed but will be looked at in the internal audit follow up review. **Internal audit 2023-24** ● Health & Safety –system - 75% completed with one action outstanding regarding framework trial underway (for registering contractor agreements to include DBS and insurance) due for completion in August **Internal audit 2024-25** ● Safeguarding – overseas checks – completed. **External Audits** ● Audit of 2023-24 financial statements – committee asked for progress dates to be added. FD to action. **Resolved that:** (i) the Audit actions and output tracker were received and noted by the committee (ii) FD to add progress dates to the tracker regarding the external audit 2023-24	**FD**
4.6	**Risk Management - Strategic Risk Register**	
	FD advised that the strategic risk register had been fully reviewed by ELT with no new risks added. Of the 23 strategic risks, one has moved in a positive direction, two negatively and the remainder no change. There remained only one red residual risk rating i.e. related to apprenticeship volumes as previously minuted. For reassurance the FD advised that a complete refresh of the risk register was planned for August to assess these against the new strategy as it is finalised. The committee asked about Risk 14 – the legal obligations around HR and safeguarding with the FD explaining that the new DSL is tightening up the processes involved in safeguarding vulnerable adults. Risk 15 regarding fundraising was again discussed noting that this was viewed as a long term risk. The committee suggested that at the refresh in august	

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	consideration be given to hyperlinking the register to strategy documents regarding mitigations and progress. FD agreed that looking at smart targets should be considered. **Resolved that the Risk Management update was received and noted by the committee**	
4.7	**Internal Audit Progress Report**	
	Steven Connors from Validera, which provides the internal audit services to the College, gave an update on the Internal Audit Progress for 2024-25. The safeguarding audit had been issued in February with adequate assurance and had been previously discussed. The remaining 4 reviews ((i) Student Records – ILR, (ii) IT & Cyber Security, (iii) CFC – Income & Payments and (iv) HR & Payroll Health Check) are to be completed in early July. Delays in undertaking some of these reviews had been due to College staffing resources in IT and finance. **Resolved that the Internal Audit Progress Report was received and noted by the committee**	
4.8	**GDPR Update**	
	FD confirmed that there had been no further requests from the ones previously minuted. **Resolved that the GDPR updated was received and noted by the committee**	
4.9	**Document approvals**	
	Cycle of Business – no changes **Terms of Reference –** minor change with the committee recommending the terms of reference to the Board for approval. **Financial Regulations** For information the FD advised that the Financial regulations were last reviewed in June 2024. However in the last year the new UK Procurement Act (2023) has come into force (Feb 2025), requiring a refresh of the expenditure section. Other changes included: further clarification around classification of donations where this is not explicit from the funder, references to ESFA replaced with DfE throughout, clarified requirements for verifying unrestricted funds for NCDS Ltd and updated references to ELT members to clarify roles. For reassurance the document has been checked for consistency against the Colleges Financial Handbook and regulations of other colleges and has been recommended to the Board for approval by the Finance & Resources committee. **Resolved that:** **(i) the Cycle of Business and Terms of Reference were received and approved by the committee** **(ii) the Terms of Reference to be recommended to the Board for approval** **(iii) the updated Financial Regulations were received and noted by the committee**	
4.10	**Committee's annual self-evaluation**	
	The Clerk asked for the committee self-evaluation form to be sent back by the end of June **Resolved that the Committee's annual self-evaluation was received by the committee and to be completed and returned to the Clerk by the end of June**	
4.11	**Any Other business**	
	Ada – Approach to Artificial Intelligence The committee was asked to note the current approaches to AI and future plans which covered work undertaken in 2024-25 and areas for development for 2025-26 • Pilot of Google Gemini licence which is Google's main AI product and integrates into the Google Workplace environment. The pilot concludes this month – training has been carried out throughout as the product has evolved and learning presented at an all-staff afternoon in March. Now plan to provide licences Gemini for all staff.	

	• Development of AI in the curriculum. The New Programmes team is also exploring commercial opportunities with employers around AI skills development. • Approaches to student use of AI which is regularly reviewed. • Plan to identify an AI lead for the College • Consultation on an AI policy which needs to be a careful balance between safeguarding and innovation, A copy was provided to the committee and to be finalised and implemented for all staff. • Look to leverage use of AI in business processes The committee asked who had been working on this and was advised that various departments have been involved drawing the different strands together. Asked if this was reflected in the risk register, the FD explained that originally it was thought not to be warranted but based on this discussion, he would remedy this, and it would be part of the refresh. There was no further business. **Resolved that Report on Ada's Approach to Artificial Intelligence was received and noted by the committee**	
4.12	**Items to be taken forward to next Board Meeting**	
	1. Risk Register 2. Terms of Reference	**Clerk**
4.13	**Date of Next meetings**	
	1. 29 September 2025 2. 24 November 2025 at 11.00 3. 23 March 2026 at 13.00 4. 15 June 2026 at 13.00	
	Close of Meeting Meeting closed at 15.14	