



## **721 PRELIMINARY PROCEDURAL MATTERS**

### **721.1 Attendance, Apologies & Welcome**

**Present:** Kathryn Hardwidge  
Ahmed Mohammed  
Deepa Rao  
John Sills (Chair)  
Charlotte Simmonds

**In Attendance:** Andrew Clare (Deputy Principal Finance & Resources) (*Except Item 721.3b*)  
Jayne Chaplin (Clerk to the Corporation)  
Ryan Pearce (Scrutton Bland - IAS)

**Apologies:** Tom Beswick (Buzzacott – EAS)  
Shachi Blakemore (Buzzacott – EAS)  
Leisyen Cox (Scrutton Bland - IAS)  
Abbey Kester (Buzzacott – EAS)

### **721.2 Declaration of Interests**

No interests were declared

### **721.3 Private Meetings**

#### **721.3a Officers without Auditors Present**

Deferred to next meeting

#### **721.3b Auditors without Officers Present**

The audit service, Scrutton Bland reported their experience in the preparations, process and completion of their respective reviews remained positive, expressing appreciation for the consistent engagement of the College team, confirming there was nothing of significance or concern on which to report to the Committee.

### **721.4 Minutes & Matters Arising**

#### **721.4a Minutes of the Meeting**

The Minutes of the meeting of the 10 December 2024 were approved as a correct record and the application of the Chair's signature was authorised.

#### **721.4b Matters Arising**

After confirming those items remaining outstanding now appeared for follow-up on the agenda (Minutes 722.1c and 722.2), it was agreed there were no further matters on which to report.

## **722 ACADEMIC YEAR 2024/25**

### **722.1 Audit Activity**

#### **a. Internal Audit Progress against Audit Plan**

Members were advised of the dates planned for the reviews and presentation of reports at the Committee's summer term meetings.

Responding to queries regarding the Internal Audit Plan there was confirmation of the approach to determine the prioritising of coverage, based on the key risks identified and flexibility to adapt the Plan to respond to any changes arising in-year.

After expressing appreciation for the clarity of the progress report, confirming the current position, and highlighting potential forthcoming priorities, the update was noted.

## **b. Risk & Review Reports**

### **i High Needs Funding**

A review to provide assurance that the College optimised such funding based on the support provided, robust records were maintained to evidence support provided and relationships with the Local Authorities worked well and were appropriate, a Significant Assurance was confirmed with one Medium and one Low recommendation made to improve the performance of the systems of internal controls.

Reflecting further on the report conclusions, discussion focused on the:

- Work underway for the introduction and maintenance of single records containing data to support High Needs learners, Additional Learner Support students and Local Authorities for funded learners, noting Management acceptance of the recommendation. After highlighting how a similar observation made during the recent ESAFA Finding Assurance Audit, had resulted in instances of underfunding such records, it was recognised how centrally accessible records facilitated monitoring and tracking and ensure robust evidence in support of funding claims
- The observation of College assigning a lower rate per hour for a Learning Support Assistant than others in a similar geographical area. Acknowledging it to be low by comparison, it was explained to be the rate paid by the Local Authority, which had been frozen for a number of years, and was the subject of challenge by the College

Following review, the report was noted.

### **ii Key Financial Controls**

A review to provide reassurance that value for money was obtained for the purchase of goods and services, only authorised goods were purchased, payments were only for goods and services received and to valid and bona fide creditors, and to review how well the cashless system had been integrated into systems and processes, a Significant Assurance was confirmed with two Low recommendations made to improve the performance of the systems of internal controls.

In the context of the complexities of the systems of internal controls, the findings, report conclusions and the low number of recommendations made were observed to be positive and were commended. Questioning included:

- The recording and retention of the reasons in instances where, for legitimate reasons, the sharing of comparable quotes with the Finance department could not be met. After confirming such instances were confined to specific and legitimate instances, clarification was provided that action was being taken to provide a centralised area for the filing of and access to supporting information in such circumstances

- The requirements in the new Procurement legislation, noting confirmation of the recent appointment of a Procurement Manager to oversee procurement in line with such requirements
- The financial limits within the Financial Regulations and any potential conflicts or anomalies, acknowledging the need for the limits to be revisited, then confirming how this usually formed part of regular review

Following discussion, the report was noted.

### **iii Safeguarding and Prevent**

A review to confirm adequate and appropriate controls and frameworks were in place to report concerns, identify and support learners who may be at risk of harm and all reports were appropriately responded to in a timely manner, members were advised of a Strong Assurance with one Value-Added point provided but no recommendations made.

Highlighting instances of good practice noted during the review, confirmation of the Strong Assurance was welcomed observing how the findings correlated with reports received at Board meetings. Exploring further:

- The distinction between the review and the Health Check that had taken place in previous years, members were advised how similar areas had been covered but in greater depth
- The Value-Added point, which it was confirmed was being considered by Management, recognising how the development of a centralised record of the status of contractor and visitor DBS checks would further enhance College systems.

Following discussion, the report was noted.

### **iv Human Resources Framework**

A review to provide confidence in the HR framework in place in respect of the Talent Acquisition Strategy and the services being provided by HRG Ltd, members were advised of a Significant Assurance with two Medium and two Low recommendations and one value added point made.

Reflecting further:

- On the report findings and recommendations, particularly the proposed development of key performance indicators to facilitate the monitoring of performance, it was noted how these were in place but were to be refined further. Members then were advised that since issued, the report had been updated to reference the correct and more appropriate reporting structure, confirming the updated document would be circulated after the meeting.
- On the Assurance rating and recommendations, questioning the consistency in and the rationale for the findings and conclusions the context of other reports presented (Minute 22.1bv refers), the observation was acknowledged highlighting how the recommendations were to intended to strengthen the overall framework, then explaining the latter to be reflective of the overall risk and significance of the subject matter.

Following discussion, the report was noted.

#### **v Health and Safety (Health Check)**

A health check to confirm that there were sufficient health and safety practices in place, including a health and safety policy, a Reasonable Assurance was confirmed with two Medium and two Low recommendations and one value added point made.

After recognising that sufficient practices were in place and the Policy document was a good document that identified key topics and procedures for completion, the findings and recommendations then were explored in further detail. Particularly questioning the observation and recommendation regarding Health and Safety training, whilst some reassurance was expressed in the clarification provided that all staff did complete mandatory training, confirmation was welcomed that the frequency and format of refresher training was being reviewed and prioritised.

In the context of the subject matter as one of the Corporation's primary responsibilities, some disappointment was expressed in the review outcome. Highlighting the Strong Assurance and the high standards confirmed for Safeguarding and Prevent, the need was emphasised and it was requesting for it to be given the same prominence and parity of standards.

Following discussion, the report was noted.

#### **c. Other Activity: College Audit Recommendations Tracker – Update**

After providing background and context to the audit tracker, progress in the implementation of audit recommendations was summarised. Of those remaining outstanding, questioning confirmed:

- i. Recommendations following the ESFA full funding audit had been addressed but would remain classified as outstanding until testing confirmed completion, highlighting when this was scheduled to take place
- ii. Progress towards securing Cyber Essentials Certification as Condition of ESFA funding, noting plans for the College submission by the end of April 2025.
- iii. In the context of when initially raised:
  - Delays in the development of financial and non-financial metrics to create performance dashboards was attributed to limitations in the functionality of the software, advising members that a revised plan was being put in place
  - The scoping exercise was ongoing for investment in an appropriate Client Relationship Management platform with the outcome of a recently submitted capital bid awaited before proceeding further. It was noted however that an effective short-term measure had been implemented pending any final solution.

Following review, progress to date was noted.

### **722.2 Compliance & Good Practice**

#### **a. Risk Management: Risk Register - Autumn Term Update**

The updated Risk Register was reviewed. After acknowledging where ratings remained largely unchanged, review and discussion focused on:

- i. The newly identified strategic risk following the change of Government, noting the potential impact on planning of a lack of detail in strategic communications and some delays in policy announcements
- ii. Of those risks that had increased, the risk around:
  - Major Incident Plan/Disaster Management, clarifying the change to be attributed to and reflective of a more unpredictable external environment
  - Breach of Bank Covenant regarding loan repayment, noting despite Auditor testing based on the annual accounts and confirmation of compliance, the risk had been raised after the Bank Credit Team raised it as a potential issue. Responding to questioning, members noted that the matter was considered to be technical in nature and following the submission of supporting documentation to the Bank, subsequent communications confirmed it proposed to issue a waiver
- iii. The risks identified overall, confirming there to be nothing further on which to add.
- iv. The risk identification processes and reporting in the context of the Committee's previous comments and the findings of the external governance review and the recommendation for an internal audit review to be undertaken. After reflecting further on members' respective experiences and preferences, it was agreed instead to seek the advice of the IAS, based on its experience of sector practices, processes and reporting, and to advise the Corporation accordingly

The update was noted.

#### **b. External Governance Review – Review of Practice**

Following up on those recommendations relevant to the Committee from the external review of governance and after observing discussions elsewhere on the agenda (Minute 722a refers):

- i. There was consideration of the suggestion for the Year-End Financial Statements and External Audit findings to be reviewed by presentations to joint representatives of the Resources and Audit Committees, recognising it now to be more common practice across the FE sector. After observing the distinct functions of the respective committees, and the importance of the Audit Committee's independence, there was discussion of the practicalities in the context of management time. Concluding that duplication of activity was minimal and such a change instead would increase the demand on members' time, it was agreed to update the Corporation accordingly.
- ii. Recognising that the Committee's remit was determined by the Post-16 Audit Code of Practice, members were advised that memberships and arrangements for the forthcoming year committees were under review and any proposed changes would be presented at the next meeting.

The report was noted.

## **723 OTHER BUSINESS & NEXT MEETING**

### **723.1 Any Other Business**

None recorded

### **723.2 Dates of the Next Meetings**

**Wednesday 18 June 2025, 5.00pm**

**Signed:** 

**Date:** 18 June 2025

John Sills, Chair, Audit Committee