

**MINUTES OF MEETING OF
THE AUDIT COMMITTEE
HELD VIA TEAMS AT 5.30PM ON THURSDAY 1 FEBRUARY 2024**

Present:	Mr R Scott (Chair) Professor J Craig Mr C Morgan Mrs E Calvert	In Attendance:	Ms A Lall (Interim Principal & Chief Executive) Dr A Birkinshaw (Chair of the Governing Board) Mr G Dixon (Vice Principal – Finance and Resources) Ms K Rae (Audit and Assurance Director - Armstrong Watson). Ms J Butterfield (Director – Risk & Assurance - TIAA) Mrs J Tracy (Interim Director of Governance)
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		ACTION
	Item 1: PRIVATE MEETING WITH THE AUDITORS	
M23/59	The Interim Principal and Vice Principal – Finance and Resources were not present for this item. The minutes (in italics) would be classified as confidential – not for publication.	
M23/65	The Interim Principal and Vice Principal – Finance and Resources joined the meeting.	
	Item 2: APOLOGIES FOR ABSENCE	
M23/66	There were apologies for absence from Mr S Hutt (Audit & Assurance Senior Manager - Armstrong Watson).	
	Item 3: DECLARATIONS OF INTEREST	
M23/67	Mr C Morgan declared a potential conflict of interest in relation to his role as Director of Education – Employability and Skills with WEA (The Workers’ Educational Association).	
	Item 4: MINUTES	
	Item 4a: MINUTES OF THE MEETING HELD ON 16 NOVEMBER 2023 AND THE JOINT AUDIT/FINANCE, RESOURCES & INVESTMENT COMMITTEE MEETING HELD ON 29 NOVEMBER 2023	
M23/68	With a correction of one typo, the minutes of the meetings held 16 November 2023 and 29 November 2023 were approved as a true and correct record.	
	Item 4b: MATTERS ARISING FROM THE MINUTES OF 16 NOVEMBER 2023 AND 29 NOVEMBER 2023	
M23/69	The information provided in the action tracker was noted.	
M23/70	M22/98 – Anti-Fraud and Anti-Bribery Policy and Procedure Information on the examples to be included in the policy had been received. The Policy would be updated and taken to the Board for approval.	
M23/71	The Interim Director of Governance provided an update on the actions from the meeting held on 16 November 2023, including that M23/04, M23/14, M23/23 and M23/33 had been completed.	
	Item 5: No Item	

	Item 6: INTERNAL AUDIT STRATEGY 2023-24	
M23/72	The paper provided the Committee with an update on the audit strategy in light of the updated risk register from the consolidation exercise carried out in 2023.	
M23/73	A discussion took place on whether the 2023/24 audit of Income and Debtors, which was considered to be a relatively low risk area, should be replaced by the 2024/25 proposed audit of Admissions and Enrolment. The Vice Principal – Finance and Resources also informed the Committee of the request from Quality and Curriculum Committee that an audit of apprenticeships be undertaken to provide assurance that the new funding guidance was being met. The Audit and Assurance Director - Armstrong Watson supported this proposal.	
M23/74	The Committee wished to gain assurance that the processes which were put in place were effective and which produced results in-year. It was agreed that TIAA would look at how the information which is sent to the Committee is provided, and thus to ensure that the Committee was receiving the right information and in the detail required.	TIAA
M23/75	The College was asked whether devolution and sub-contracting had been covered in the adult learning audit. It was agreed that TIAA would review the scope of the Learner Numbers audit due after Easter 2024, to include devolution, sub-contracting and also some apprenticeship funding.	TIAA
M23/76	A member of the Committee raised the risks relating to HE provision, such as compliance with new regulations. It was agreed that this would be included in future years' audits, rather than in 2024.	TIAA
M23/77	The Chair of Audit Committee would expect that the internal audit strategy would cover all the key areas over a three-year period and was concerned that some were over a longer period. A discussion on whether to undertake a dip check would identify anything of significance, it being at a very high level. It was agreed that the strategy would be reviewed to ensure that all areas were covered.	VP F&R / TIAA
M23/78	The Vice Principal – Finance and Resources would also look at how the Committee could receive an overall level of assurance such as by mapping risk appetite, and inclusion of external assurance reports, etc.	VP F&R
M23/79	It was also agreed that in order to provide the background to the internal audit processes, the Director – Risk & Assurance – TIAA would contact Mrs E Calvert.	TIAA
	Item 7: INTERNAL AUDIT REPORTS	
M23/80	The Director – Risk & Assurance – TIAA presented the reports which provided an update on the audits which had been carried out since the last meeting. All reports had provided 'reasonable assurance' with a total of 9 recommendations having been made. An interim update from TIAA on progress had been included.	
	Item 7a: Assurance Review of Adult Education Courses	
M23/81	The Committee considered the two 'important' priority recommendations and the management comments.	
M23/82	The Interim Principal and Vice Principal – Finance and Resources provided information on the funding dashboards which were in place for all budgets and on the work being done on a wider dashboard which would pull down information from various sources/data sets. The Chair of Audit Committee requested that a list of the planned dashboard reports be produced, with deadlines and that this be reviewed to ensure that everything had been covered, and if not, a deadline for completion would be included. The Committee would then monitor progress.	VP F&R

	<p>Item 7b: Assurance Review of Equality, Diversity and Inclusion</p>	
M23/83	The Committee considered the two 'important' priority and two 'routine' recommendations and the management comments. It was noted that both 'routine' recommendations had now been completed.	
M23/84	The Director – Risk & Assurance – TIAA informed the Committee that they had been unable to undertake a test on recruitment/shortlisting as the information had not been provided or had not been provided on a timely basis. The Interim Principal confirmed that the shortlisting information was kept in HR but that at the time of the audit, the College had been unable to pass on the information to TIAA. The Interim Principal also provided information on the data held by the College in relation to staff training, including the weekly report and that copies of training certificates could be obtained from iHASCO, the training company.	
M23/85	A member of the Committee requested assurance that the College was meeting its legal requirements under the Equalities Act and that it was not in breach elsewhere (e.g. IIP) by reference to the Equal Opportunities Policy not being included in the job adverts. The Interim Principal confirmed that the adverts now included the necessary information, that the Interim Head of HR had been undertaking a detailed review of all the policies and procedures, and their enactment, and that all job descriptions were being standardised.	
M23/86	The Committee also discussed whether the 'reasonable assurance' rating was appropriate, noting the discussions which had taken place. It was agreed that TIAA would review the assurance rating for this report and that the audit of HR would be put back to allow for additional testing to be undertaken to include those areas which had not been covered in the EDI audit.	TIAA
M23/87	Whilst noting the above concerns, the Committee also remarked on the positive findings in the report and the areas of good practice which had been identified.	
M23/88	In answer to a question from a Committee member, the Vice Principal – Finance and Resources provided information on the follow up process and the access to the TIAA portal. The Director – Risk & Assurance – TIAA also commented that they would ensure that evidence to support completion of the recommendations was received and that the recommendations were embedded.	
	<p>Item 7c: Business Continuity and Disaster Recovery</p>	
M23/89	The Committee noted the key strategic findings and the areas of good practice and considered the three 'important' priority recommendations and the management comments. The Director – Risk & Assurance – TIAA commented on the robust testing in the College which was undertaken with an external provider.	
M23/90	A member of the Committee asked whether the persons responsible were at the right level and that they had the level of knowledge of the College needed. The Vice Principal – Finance and Resources confirmed that this was the case, it being noted that a number of the Senior Team had come from larger colleges and thus could bring that experience to Craven College. The Interim Principal also informed the Committee that the final review was considered at the Strategic Risk Management Group and thus both the Vice Principal - Finance and Resources and herself had oversight. The College was asked to consider whether the action plan be updated to reflect this.	
M23/91	At the request of the Committee, it was agreed that TIAA include a commentary to the strategic finding box in future reports to show the areas in the audit scope which were very good, those which were not, and which were rag-rated.	TIAA

	Item 7d: Summary Internal Controls assurance (SICA) Report
M23/92	The summary controls assurance report provided Audit Committee with an update on the emerging governance, risk and internal control related issues and the progress of work as at 16 January 2024.
M23/93	The Chair of Audit Committee asked for thoughts on areas about which the Committee/College should be concerned. The Vice Principal – Finance and Resources replied that phishing and the purchase order process were both closely monitored, and that training was provided to College staff.
M23/94	The Chair thanked the Director – Risk & Assurance – TIAA for the reports and her contribution.
	Item 8: RISK REVIEW
M23/95	The Interim Principal presented the paper which provided information on the risk status of the College’s strategic risks and any associated action plans. Since the strategic risk register was last presented to the Committee, a separate risk relating to financial health had been added, the detail being as per the report. The Committee noted the four strategic risks which required a specific action plan and the detail of those plans, and the increase in and reasons for the increase in Risk 4 – failure to recruit, retain and develop quality staff in line with the College’s ‘People Plan’.
M23/96	In answer to a question from a Committee member, information was provided on the background to the increase in Risk 2 – failure to improve achievement rates to meet national benchmarks and targets; whilst achievement rates had improved, they did not yet meet national rates. The College also confirmed that the risks were not listed in priority order and provided the background to the improvement in Risk 7 – student experience and satisfaction.
M23/97	The Chair of Audit Committee thanked the Vice Principal – Finance and Resources and his team for the improvement in the report content.
	Item 9: AUDIT TRACKER/UPDATE ON AUDIT RECOMMENDATIONS
M23/98	Audit Committee considered the paper which provided an update on the progress of audit actions, including those which had been added and completed since the last update and on the recommendations which were outstanding.
M23/99	After discussion and with the approval of the Director – Risk & Assurance – TIAA , it was agreed that recommendation from 21/22 – Network/Cyber Security be removed as being no longer relevant.
	Item 10: REVIEW OF MEETING
M23/100	The Committee reviewed the effectiveness of the meeting and commented on the improvements in the quality and length of the reports being presented. No areas of concern were raised.
M23/101	19:17pm The Director – Risk & Assurance – TIAA and Audit and Assurance Director - Armstrong Watson left the meeting.
	Item 11: CONFIDENTIAL: PART 2: MINUTES
M23/102	Audit Committee approved the confidential minutes of the meeting held on 16 November 2023 as per the paper.
	Item 12: CONFIDENTIAL: INTERNAL AUDIT TENDER
M23/103	

M23/108

Item 13: DATE OF NEXT MEETINGS

Members noted the following:

- Thursday 7 March 2024 - 5.30pm via Microsoft Teams
- Thursday 13 June 2024 – 5.30pm via Microsoft Teams

The Chair of Audit Committee thanked everyone for their attendance and contributions.
The meeting closed at 19:33pm.