



Minutes of the Meeting of the Audit Committee

held at 6.00pm on Wednesday 29 November 2023
held in the College

Present:	Mr S Taylor (ST) Mr A Alimohamed (AA) Mr A Barke (AB)	Chair
Apologies:	Ms C Ajit Singh (CAS) Mr S Pringle (SP) Ms S Blakemore (SB)	Director of Internal Audit, Wylie & Bisset LLP Partner, Buzzacott
In Attendance:	Mr M Cooper (MC) Ms T Aust (TA) Ms K Frost (KF) Ms S Archibald (SA) Mr R Cloke (SB)	Executive Director Finance, HR and Development Principal Head of Governance Wylie & Bisset LLP Senior Manager, Buzzacott

21/23 **Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies for absence were received and accepted from CAS, SP and SB.

22/23 **Declarations of Interest**

There were no declarations of interest relating to the items on the agenda.

23/23 **Confidential Session**

The committee held a Confidential Session without college management present. No significant issues of concern were raised.

TA and MC entered the meeting.

24/23 **Minutes of the Last Meeting**

Minutes from the meeting of the Committee held on 28 June 2023 had been received in advance (Paper 1). IT WAS DECIDED the minutes were a true record of the meeting and they were approved.

Signed: Date:

25/23 **Matters Arising**

A 'Summary Action Point List' (Paper 2) was received and noted. The committee received an update on progress towards actions agreed at the last meeting.

No.	Action	Status Update
14/23	Contact the External Auditor to find out whether the College would benefit from arranging an Internal Audit focusing on IT Controls.	Buzzacott's recommendation is to engage the services of JISC (who already provide internet connectivity and computing support services to the FE sector) to undertake a cyber security assessment. Ideally, this would assess the College against the specific criteria required for Cyber Essentials accreditation.
14/23i	Explore the training courses offered by the Internal Auditor to see whether there are any the College can take advantage of.	<p>One of the training topics offered by Wylie & Bisset relates to Fraud Awareness. Assuming there's not significant overlap with material available elsewhere, e.g. from Barclays, this could be of interest and useful for some College staff.</p> <p>MC has also enquired as to whether there are options for training on GDPR/data protection and/or procurement (particularly relating to compliance) and has requested a list of the full range of training topics available.</p>
17/23	Prepare a paper detailing the additional responsibilities of the Committee due to the ONS reclassification.	On the agenda for the meeting.

26/23 **Risk Management**

a) **Board Assurance Report**

The 'Board Assurance Framework November 23' (Paper 3) was received in advance of the meeting.

MC reported that there had been some minor amendments to the Board Assurance Framework since the last meeting of the committee. Three areas were rated as amber: estates and property management, data protection and cyber security.

It was agreed that the Board Assurance Framework only needed to include a 3-5 year cycle.

Governors said there were several blanks in the report and asked when they would be filled in. MC said he was starting to plan in future assurance activities.

Governors asked whether the Audit Committee received reports from all external people who came into work with the College. The CEO/Principal said the Audit Committee wouldn't receive reports from external people acting in a consultancy capacity but would from anyone who came in to provide audit or assurance services.

b) **Strategic Risk Register**

The 'Strategic Risk Register' (Paper 4) was received in advance of the meeting.

Signed: Date:

MC reported that a governance review of the risk process was underway and a revised risk register was almost complete.

Governors asked whether the Audit Committee's regular review of risks with higher scores should be based on the inherent or gross risk score, rather than the net risk score after mitigating control measures. MC said this would be discussed as part of the work on the revised risk register.

Governors said operational risk was as important as strategic risk as operational risk could become strategic and impact the reputation of the College.

Governors asked whether it was appropriate to have Ofsted as the only provider of Independent Assurance on the risk register. MC said he would ensure the other aspects of external assurance were reflected in the revised risk register.

Governors asked why the financial statements mentioned the risk of pension liabilities but that risk didn't appear in the risk register. MC said the risk score wasn't sufficiently high to include on the strategic risk register brought to the Committee. Governors said this was an example of the need to include gross risk on the risk register as well as net risk.

c) **Committee Risk Register Reviews**

At their meeting held on 4 October 2023, the CQSE committee had asked for mitigations relating to the transition to T Levels to be added to the risk register.

27/23 Internal Audit Reports

a) **Annual Internal Audit Report 2022-23**

The 'Annual Internal Audit Report 2022-23' (Paper 5) was received in advance of the meeting.

SA presented the Annual Internal Audit Report for 2022-23 and confirmed that Wylie and Bisset had been able to provide a satisfied opinion. In their opinion, the College had adequate and effective risk management, control and governance processes to manage achievement of the College's objectives at the time of the audit work. The College also had proper arrangements to promote and secure value for money. There had been no significant deviations from the plan and all audits on the plan had been completed.

Five internal audit assignments had been completed throughout the year. Substantial assurance was given for two reviews and strong assurance for three reviews. In total there had been fourteen recommendations including ten that were low priority and four that were medium. There had been no high priority recommendations.

Looking at the benchmarking data, there wasn't much difference between the average and the College. Overall, the College had a slightly higher number of recommendations but the grading of the recommendations was lower.

Referring to the KPIs, SA said they had all been met with the exception of management providing a response to draft reports within 15 working days.

Governors asked how late the management response was. SA said there had been a delay of a couple of months for the funding and procurement reviews. MC said he

Signed: Date:

hadn't been aware of the expectation of a response within 15 working days but acknowledged that some of the delays were unnecessarily long.

b) Reports from Internal Audits

A report from the internal audit of Overall Financial Controls was received in advance of the meeting. (Paper 6)

SA reported that they had been able to provide a substantial level of assurance for the financial controls that were in place. There were several areas of good practice noted. Two low grade and three medium grade recommendations had been made. In terms of benchmarking data, there had been a higher number of recommendations compared to other colleges. SA summarised the detailed recommendations.

Governors thanked Wylie and Bisset for their work over the course of the year. It was good to see there was a good level of controls in place and management should be congratulated.

Governors asked whether production of monthly management accounts would have an impact on the capacity in the team. MC said he felt the finance team were in a more stable position and it should be possible to produce monthly accounts.

Governors asked whether the internal and external auditors shared information. RC said the external auditors reviewed the internal audit reports and factored them into the risk assessment but they didn't place any reliance on their work. The exception to this was the work around the ILR review for which the external auditors relied on the work of the internal auditor.

Governors asked whether there were areas of duplication. SA said internal audit reviews were focused more on the controls and processes in place and so there weren't points of duplication. Governors asked whether there were any areas of omission. SA said it was the role of the internal auditor to identify areas that had a level of risk attached to it, review the area and provide a level of assurance. Not every area of college had been audited but they were able to provide an overall level of opinion based on the audits that had been carried out. Governors asked whether there was anything obvious that was being missed. Nothing was raised as a concern.

SA left the meeting at 7.00pm

c) Update on Recommendations from Previous Internal Audits

A progress update on outstanding audit recommendations as at 22 November 2023 was received in advance of the meeting. (Paper 7).

MC reported that there were thirteen outstanding recommendations including four medium priority and nine that were low priority. Seven had been implemented. MC gave an update on the recommendations that were still outstanding.

Governors asked about the recommendation that the College should adjust the Fixed Asset Register in situations where inclusion in the register was no longer justifiable and asked in what situations this would apply. MC said any assets that no longer existed would be removed from the register. Any assets that existed, even those with nil value, would remain on the register.

Governors asked whether the implemented status was based on the College's assessment. MC said it was, Wylie and Bisset would review the recommendations at the end of the year and would check they had been implemented appropriately.

Signed: Date:

28/23 **Financial Statements Audit**

a) **Post Audit Management Report**

The 'Post Audit Management Report 2023' (Paper 9) was received in advance of the meeting. RC went through the report. Two recommendations had been made which were to achieve the cyber essentials certification and to review the FRM reports on ILR data.

IT WAS DECIDED that the Post-Audit Management Report would be recommended for approval by the Corporation at its meeting on 13 December 2023.

b) **Financial Statements 2022-23**

The 'Draft Report and Financial Statements for Year Ended 31 July 2023' (Paper 8) were received in advance of the meeting.

Governors said it was reassuring to know the College was a going concern and the report appeared to reflect the current position.

Governors thanked Buzzacott for all of their work on the external audit.

Following the review by the Finance, Resources and Capital Projects Committee, IT WAS DECIDED to recommend to the Corporation approval of the Annual Report and Financial Statements 2022-23.

c) **Letter of Representation**

The 'Draft Letter of Representation' (Paper 10) was received in advance of the meeting. Governors confirmed that there were no risks that they were aware of that needed to be reported to the External Auditors.

Governors asked whether the External Auditor used different definitions for fraud and theft. RC said that fraud was broader than theft and it was fraud the audit focused on, both internal and external.

IT WAS DECIDED that the Letter of Representation would be recommended for approval by the Corporation at its meeting on 13 December 2023.

d) **Regularity Self-Assessment**

The completed 'Regularity Self-Assessment Questionnaire 2022-23' (Paper 11) was received in advance of the meeting. IT WAS DECIDED to note the completed Regularity Self-Assessment Questionnaire.

RC left the meeting.

29/23 **Governance**

a) **Annual Report from the Audit Committee**

A draft 'Annual Report from the Audit Committee' was received in advance of the meeting. (Paper 12).

The Audit Committee, through the review of auditors' reports and discussion with auditors and college managers, had arrived at the opinion that West Thames College had adequate and effective assurance frameworks, framework of governance, risk management and control processes for the effective use of resources, solvency of the institution and the safeguarding of its assets.

Signed: Date:

The committee was satisfied with the financial reporting of West Thames College and the performance of the internal and financial statement & regularity auditors.

The committee considered that the Corporation's responsibilities had been satisfactorily discharged.

IT WAS DECIDED to approve the Annual Audit Committee Report 2022-23 and for the report to be made available to the CEO/Principal and Corporation at its meeting on 13 December 2023.

b) Training Needs for Committee Members

Governors said they felt it would be beneficial to receive some training in fraud which was something Wylie and Bisset might be able to provide. MC said he would look into the training options provided by Wylie and Bisset and find out some more detail.

Action: MC

AA reported that he had attended Association of Colleges (AoC) new governor induction training which had been useful.

AB reported that he had attended an AoC Audit Masterclass that had been useful.

c) ONS Requirements

A document outlining the requirements that resulted from the ONS reclassification of Further Education Colleges to the central government sector was received in advance of the meeting. (Paper 13).

30/23 Data Protection and Freedom of Information

a) Data Protection and Confidentiality Policy

The 'Draft Data Protection Policy' (Paper 14) was received in advance of the meeting.

MC reported that the Data Protection Policy had been updated in line with a template provided by AoC. This was the first step in ensuring the College's data protection practice was where it should be. External support would be bought in to bring the practice up to date and then an internal audit would be arranged at a later date.

Governors recommended that it would be sensible to allow sufficient time for embedding of updated processes before proceeding with an internal audit of this area.

Governors asked where CCTV fitted in, in relation to data. MC said this would be explored as part of the work on ensuring data protection processes in the College were meeting requirements.

Governors said ongoing maintenance of the data protection processes was important and could be quite time consuming. If external support was needed to help support with this, the College was right to arrange it.

IT WAS DECIDED to approve the Data Protection Policy.

b) Privacy Notices

The following privacy notices were received in advance of the meeting: Student, Staff, Nursery, Visitor and Supplier'. (Papers 15a to 15e)

Signed: Date:

Governors asked whether the right to erasure needed to be included in the privacy notices. MC said he would check this.

Action: MC

Subject to this action being completed, IT WAS DECIDED to approve the Privacy Notices.

c) **Freedom of Information Policy**

A draft 'Freedom of Information Policy' (Paper 16) was received in advance of the meeting. IT WAS DECIDED to approve the Freedom of Information Policy.

31/23 **AOB**

The committee discussed action 14/23 from the last meeting. IT WAS DECIDED to proceed with the internal audit of cyber security as planned.

32/23 **Date of the Next Meeting**

The date of the next meeting of the committee was Wednesday 13 March 2024 at 6.00pm.

Summary of Actions

No.	Action	Lead	Target Date
29/23	Explore the training courses offered by the Internal Auditor to see whether there are any the College can take advantage of. In particular, whether Wylie and Bisset could provide any governor training sessions on fraud.	MC	March 24
30/23	Check whether the right to erasure needs to be included in the privacy notices.	MC	March 24

Signed: Date: