

# Minutes

## AUDIT MEETING

Date:	17 June 2024	Time:	4PM
Chairperson:	Chris Wilson	Location:	UCN Room 284

Present	Name	Role
<b>Membership</b>	Chris Wilson (CW)	External Member - Chair
	Javid Iqbal (JI)	External Member
	Stuart Compton (SC)	External Member
	Tim Major (TM)	External Member (On Teams)
	Russell Shackleton (RS)	External Member
<b>In Attendance</b>	Jamie Morton (JMo)	Director of Finance (DF)
	Jo Houghton (JH)	Vice Principal – HE & Skills (VPHEs)
	Iain Wolloff (IW)	Principal and Chief Executive (PCE)
	Cathy Wright (CW)	Vice Principal – Central Services (VPCS)
	Chris Rising (CR)	Internal Auditor – MHA
	Nathan Hall (NH)	Director of Estates and Facilities (DEF)
	Heather Large (HL)	Governance Professional (GP)
	Chris Mantel (CM)	External Auditor - Alliotts
<b>Apologies</b>	Jatinder Matharu (JMa)	Director of Safeguarding and Support (DSS)
	Lee Hunt (LH)	Deputy Principal & Vice Principal – FE & Curriculum (VPFEC)
<b>Quorum</b>	Three members required	Meeting quorate, four members present

### AGENDA ITEMS

Item No.		Reports
	<b>PRE-MEET OF EXTERNAL MEMBERS ONLY</b> There were no matters of concern	Verbal
	<b>PRE-MEET WITH SLT WITHOUT AUDITORS</b> There were no matters of concern and relationships with both internal and external auditors were good.	Verbal
1.	<b>APOLOGIES FOR ABSENCE</b> There were apologies for absence received and accepted for Jatinder Matharu and Lee Hunt.	Verbal
2.	<b>DECLARATION OF INTERESTS</b> No declarations of interests were made.	Verbal
3.	<b>MINUTES OF THE PREVIOUS MEETING</b> The Minutes of the Audit Committee held on the 19 February 2024 were duly agreed, accepted, and will be signed off by the Audit Committee Chair.	Paper (3)

	<b>The Committee accepted the minutes as an accurate record.</b>	
<b>4.</b>	<p><b>MATTERS ARISING FROM THE MINUTES</b></p> <ul style="list-style-type: none"> <li>• FD to clarify the MHA price uplift year on year for the duration of the three-year contract. <b>Complete</b></li> <li>• All to consider the role of VC and submit nominations to Clerk. <b>Complete</b></li> <li>• Risk Register to be Agenda item for the first Audit Committee meeting in the new academic year. <b>Complete and now a standing agenda item.</b></li> </ul> <p>The Committee discussed the Apprenticeship Audit Update in detail. The Committee were informed of:</p> <ul style="list-style-type: none"> <li>• Short seven-day turnaround of logging 200 learners on sign up and the inevitable administration shortcomings around this.</li> <li>• The improvements in the numbering. This is processed and actioned much faster.</li> <li>• Reasons for the concerns raised around employer contracts and non-levy box ticking and how the College is addressing this and why it would be unlikely that any provider would ever have an entirely clean Apprenticeship Audit.</li> </ul> <p>The Committee agreed:</p> <ul style="list-style-type: none"> <li>• There were no fundamental or systematic errors of concern.</li> <li>• No major risks had been identified that would impact funding the College should receive.</li> <li>• There were teaching and development opportunities identified where lessons could be learned and improvements made.</li> </ul>	Paper (9)
<b>5.</b>	<p><b>GOVERNANCE PROFESSIONAL REPORT</b></p> <p>The Committee were informed of recommendations that could be considered/implemented following AOC training module. The Committee agreed that:</p> <ul style="list-style-type: none"> <li>• The Committee does focus on delivering outcomes and recent strategic reviews have highlighted areas that are now on the risk register.</li> <li>• Current risk register format can be difficult to read and if possible, another style of presenting where key risks are identified on an A4 page would be advantageous.</li> <li>• Risk Register is now a standing agenda item for the Committee at each of its meetings and will be scrutinised for delivered outcomes.</li> <li>• Key Risks will be a focus for this Committee.</li> </ul>	Paper (13)
<b>6.</b>	<p><b>OUTSTANDING RECOMMENDATIONS</b></p> <p>The Committee were informed that:</p> <ul style="list-style-type: none"> <li>• All outstanding audit recommendations have been completed.</li> </ul>	
<b>7.</b>	<p><b>INTERNAL AUDIT REPORTS</b></p> <p><b>To review the Internal Audit Reports</b></p>	
<b>7.1</b>	<p><b>FINANCIAL CONTROLS</b></p> <p><b>The audit returned substantial assurance.</b></p> <p>The Committee asked the Internal Auditor (IA):</p> <ul style="list-style-type: none"> <li>• If they had examined who would be able to conduct month end processes in the absence of key members of staff. The IA informed the Committee that there are a team who have system access plus the system processes are set out in action plans.</li> </ul>	Paper (16)

	<ul style="list-style-type: none"> <li>• If the documentation of policy and process is lacking are these minor issues. IA informed Committee it is a new system and there was an element of practice and not everything is written down largely due to the length of implementation time.</li> <li>• If there were any concerns on reporting given the College has had three Finance Directors in less than a year. IA felt there was sufficient detail of the major process to give a substantial assurance.</li> <li>• If the DF has access to all financial administration systems and controls or are they specifically allocated to Finance Team members. DF confirmed he does have administration access.</li> </ul>	
7.2	<p><b>CYBER SECURITY</b></p> <p>The Committee were informed that there were good controls regarding cyber security. Controls around password security are strong and there is positive endorsement of this. The Committee asked if it was College policy to disable certain drives and USB sticks. VPCS was unable to confirm but would investigate.</p> <p><b>Action: VPCS to investigate if certain drives and USB sticks are disabled for Cyber Security.</b></p>	Paper (29)
7.3	<p><b>LEARNER NUMBERS</b></p> <p>The Committee were informed there was adequate assurance for:</p> <ul style="list-style-type: none"> <li>• Reviewing of all the different funding streams</li> <li>• Compliance with funding legislation</li> <li>• No systemic weaknesses in the system</li> </ul> <p>There were a number of recommendations made on accuracy of reporting. There are aspects of REMS the College are not using and options for a report writer to support the MIS manager to be reviewed.</p> <p>The Committee recommended that the PCE/DF:</p> <ul style="list-style-type: none"> <li>• Check the claiming of the Football Academy is correct and conduct a review of the contract rules</li> <li>• Review the systems are fit for purpose for T Levels</li> <li>• Report back to the Committee on employer training provision and what is offered and if there are opportunities for further funding in this area</li> </ul> <p><b>Action: PCE/DF to check the claiming of the Football Academy is correct and conduct a review of the contract rules</b></p> <p><b>Action: PCE/VPCS to review the systems are fit for purpose for T Levels</b></p> <p><b>Action: PCE/VPHEs to report back to the Committee on employer training provision and what is offered and if there are opportunities for further funding in this area</b></p>	Paper (56)
8.	<p><b>EXTERNAL AUDIT</b></p> <p>The External Auditor summarised the key risks for the College are:</p> <ul style="list-style-type: none"> <li>• Cash flow and its dependency on student numbers and land sales</li> <li>• PFI costs and its closure</li> <li>• Salary increases</li> <li>• Pension increases</li> </ul> <p>The external auditor reminded the college that the contract would need to go out to tender for External Auditor soon.</p> <p>The Committee were informed the key deliverables and timings will be the same format as last year with the Audit commencing on 30 September and its findings presented to the Audit Committee at its meeting on the 18 November 2024.</p>	Paper (81)

	<p>The Committee had no questions.</p> <p><b>Meeting was adjourned at 17.14 hours.</b>  <b>Meeting recommenced at 17.22 hours.</b></p>	
9.	<p><b>POLICIES</b></p> <p>The Committee reviewed the Whistleblowing Policy and asked for changes at 4.3 and 4.4. Pending those changes the Whistleblowing Policy was duly ratified.</p> <p>The Committee reviewed the GDPR policy but noted that the policy had already been reviewed and was re-approved by the Board for three years at its meeting in March 2024. The Committee asked for the Annual Governor Data Protection Officer Report to come to this Committee.</p> <p>The Chair asked if any of the Senior Leader Team were aware of any current fraud or financial matters. All confirmed they were not.</p> <p><b>Action: VPHEs to ensure Annual Governors Data Protection Officer Report to come to this Committee.</b></p> <p><b>Action: VPHEs to make amendments to GDPR Policy and bring back to Audit Committee for approval.</b></p> <p>It is to be noted that Tim Major left the meeting at 17.27 hours.</p>	<p>Paper (105)</p> <p>Paper (113)</p>
10.	<p><b>RISK MANAGEMENT AND RISK REGISTER</b></p> <p>The Committee asked:</p> <ul style="list-style-type: none"> <li>• What is the College doing in ensuring that all statutory training is completed. The Committee were informed that any non-compliance is due mostly to the turnover in staff and staff are regularly reminded to complete this by their Line Managers. Line Managers are also encouraged to review that their staff have completed it. No staff member can complete their probation without having completed all necessary statutory training.</li> <li>• What progress is being made on the Employment legislation list. The Committee were informed there have been several sessions to date, the next one is Wednesday, and it is going well.</li> <li>• If staff morale is positive. The Committee were informed it is and there are more staff coming to the College which will impact positively on the quality of the curriculum.</li> <li>• If staff appraisals are complete. The Committee were informed they are on track and that only a small number have not been completed which was down to sickness or IT issues, but these will be done.</li> <li>• If the Competition risks could be alleviated with a more robust Marketing Strategy Plan with associated targets. The Committee felt that Marketing should be subject to an internal audit review.</li> <li>• If all financial staff are aware of the new College Financial Handbook regulations and their responsibilities. The Committee were informed that they are and have also been reviewing the Procurement Act which comes into effect on 28 October.</li> <li>• Risk Management Policy was included for information only</li> </ul>	Paper (119)

11.	<p><b>HEALTH AND SAFETY</b></p> <p>The Committee were informed on issues around:</p> <ul style="list-style-type: none"> <li>• Challenge in communication between the off-site provision and the college and that the recording of injuries on SMARTLOG is slow. The new administrator will ensure the relevant information is recorded. A meeting is to be held with the Managers of the Football Academy and Performing Arts to enforce this recording.</li> <li>• Mandatory training has fallen slightly, and the Health and Safety Manager is investigating why.</li> <li>• All Health and Safety reporting is reviewed by Health and Safety Manager who is employed for 15 hours a week.</li> </ul> <p>The Committee asked:</p> <ul style="list-style-type: none"> <li>• Should the workload balance of the Health and Safety Manager be recorded as a risk. DF believed it should be.</li> <li>• Should the off site provision recording on SMARTLOG be recorded as a risk. DF believed it should be.</li> </ul> <p><b>Action: PCE/DF to record the workload/hour allocation of Health and Safety Manager be recorded on the risk register within existing risks.</b></p> <p><b>Action: PCE/DF to record the off site provision recording on SMARTLOG be recorded on the risk register within existing risks.</b></p>	Paper (132)
12.	<p><b>SIGNIFICANT INCIDENT REPORT AND PREPARDNESS</b></p> <p>The Committee were informed there were no significant incidents since the last meeting.</p>	Verbal
13.	<p><b>INTERNAL AUDIT PLAN</b></p> <p>The Committee were recommended to approve the internal Audit Plan for 2024-25 of Internal Audits being conducted throughout the academic year on:</p> <ul style="list-style-type: none"> <li>• Health and Safety</li> <li>• Learner Number Systems</li> <li>• Strategic Planning and Delivery</li> <li>• Data Protection and GDPR</li> <li>• Payroll</li> </ul> <ul style="list-style-type: none"> <li>• Following discussion of risk and the college’s development, it was agreed that the potential areas for internal audit in 2024/5 were: Health and safety; learners number system accuracy; post-PFI; student marketing strategy; data protection and GDPR; payroll. These will be considered further by the SLT and a final list agreed at the next meeting of the Audit Committee.</li> </ul>	Paper (137)
14.	<p><b>AUDIT COMMITTEE ANNUAL BUSINESS CYCLE</b></p> <p>The Committee duly approved the Audit Committee Annual Business Cycle for the next academic year.</p> <p><b>It is to be noted that the SLT left at 18.20 hours</b></p>	Paper (155)
	<p><b>EXTERNAL MEMBERS MET WITH INTERNAL AND EXTERNAL AUDITORS WITHOUT SLT PRESENT</b></p> <p>The Chair invited the internal and external auditor to provide feedback on the auditors’ experience of working with college management since the last meeting.</p>	

	Both confirmed that there were no matters of concern to report and that relationships were good.	
<b>15.</b>	<p><b>ANY OTHER BUSINESS</b></p> <p>There was none.</p> <p><b>Meeting Closed at 18:23 hours.</b></p> <p><b>Date of Next Meeting: Monday 18 November 2024 at 4pm</b></p>	Verbal

Signed:

*RShackleton*

(Chair) Date: 28 Nov 2024

Russell Shackleton (Thu, 28th Nov 2024  
15:17:58 GMT)



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