Minutes

AUDIT MEETING

Date:	3 February 2025	Time:	4PM
Chairperson:	Russell Shackleton (RS)	Location:	Newbury College, The Hart Room

Present	Name	Role
Membership	Chris Wilson (CW)	External Member – Vice Chair
	Javid Iqbal (JI)	External Member
	Stuart Compton (SC)	External Member
	Tim Major (TM)	External Member (On Teams)
	Russell Shackleton (RS)	External Member – Chair
In Attendance	Jamie Morton (JMo)	Director of Finance (DF)
	Jo Houghton (JH)	Vice Principal – HE & Skills (VPHES)
	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)
	Jatinder Matharu (JMa)	Director of Safeguarding and Support (DSS)
	Lee Probert (LP)	Principal and Chief Executive (PCE)
Apologies	Lee Hunt (LH)	Deputy Principal & Vice Principal – FE & Curriculum (VPFEC)
	Chris Mantel (CM)	External Auditor - Alliotts
Quorum	Three members required	Meeting quorate, five members present

AGENDA ITEMS		
Item No.		Reports
	PRE-MEET WITH SLT WITHOUT AUDITORS Chris Rising and Lee Probert left for this Agenda item. This is subject to a Confidential Minute.	Verbal
1.	**APOLOGIES FOR ABSENCE** There were no apologies for absence.	Verbal
2.	**NOTIFICATION OF ANY URGENT BUSINESS TO BE DISCUSSED** There were no notifications of any urgent business to be discussed.	Verbal
3.	**DECLARATIONS OF INTEREST** There were no declarations of business, pecuniary or conflict of interests raised.	Verbal
4.	**MINUTES OF THE PREVIOUS MEETING** The Minutes of the Audit Committee held on the 18 November 2024 were duly agreed, accepted, and will be signed off by the Audit Committee Chair.	Paper – (4)

	The Committee accepted the minutes as an accurate record.	
5.	**MATTERS ARISING FROM THE MINUTES** CWi asked if the Clerk could provide a bigger font for the Action Tracker for future meetings to make for easier viewing. The Clerk agreed to do this. The Committee reviewed the matters arising from the Minutes of 18 November 2024 1. DEF to raise and promote more Health and Safety awareness within the culture of the College. The Committee were informed of the current practices in place including the Health and Safety Committee meetings and Governor attendance at these. However, it was recognised that on several occasions there have been issues relating to Health and Safety that Mitie have not addressed. The Committee recommended a review of any necessary: • Quotes for essential health and safety work • Review of contractual due dates and follow processes in place to ensure any delays in implementation of duties and responsibilities are actioned 2. PCE to provide AI Report for next meeting. **Outstanding** The Committee made recommendations under Agenda Item 13 of what it expects to be contained in the Report. 3. PCE to update risk register with AI actions undertaken. **Outstanding** The Committee were informed that Risk Register will be updated with the actions undertaken at the end of March. 4. The Chair requested that the 'Audit Committee Action Tracker' be amended to include columns for status of action: 'PCE/SMT Recommendation', 'Audit Committee Decision', and that all actions closed in future should identify the nature of the decision (verbal or a reference to the relevant document) to aid future tracking. **The Clerk confirmed she would add this.** 5. Revised risk register requirements and changes to process to be provided to next meeting PCE/Audit Committee Chair. **Ongoing. See Agenda 9.** 6. PCE to provide the committee with a list of all potential inspections that would be within the scope of the Audit Committee for next meeting. **Outstanding.** The Committee made recommendations under Agenda Item 14 of what it expects to be contained within Inspection Readiness. **Action: Clerk to ensure Action Tracker is in bigger font for future meetings.** **Action: FD to review Mitie duties and responsibilities and ensure any quotes for essential works are actioned. Review any breaches of contract and address. Provide a life cycle for tenders/contracts.** **Action: FD to provide a date when the Business Continuity inspection will be completed.**	Paper (9)
6.	**OUTSTANDING RECOMMENDATIONS** (Internal and external audit) To receive an update on progress • Audit Recommendations - Tracking Report • Audit Code of Practice – Compliance and Update Report • Monitor Audit Recommendations	Paper (10)

	The Committee were informed of three Internal Audit Reports received in the 2023/24 year. These were: • Cyber Security - IT and Information Governance Health Check (20 action points) • Learner Numbers and Funding Systems (16 action points) • Key Financial Controls- Main Accounting System (3 action points) The Committee noted that the outstanding action points were in progress and the delay in implementation have various understandable reasons, but all are on course for completion during the current year. The Committee asked that (CR) from MHA (Internal Auditors) review open audit actions in the Summer Term to provide independent assurance that management actions are consistent with the audit finding objectives. **Action: MHA Follow up of Management Actions from 2023/24 Audits during Summer Term.**	
7.	**INTERNAL AUDIT REPORTS** The Committee were informed that the fieldwork phase of the Audit of payroll has been completed. The DF is waiting for the Draft Internal Audit Report to be provided though he is not aware of anything significant to report so far. CR confirmed that the report is currently been reviewed internally be MHA. – **Ongoing.** **Action: MHA to complete internal review of Payroll Audit Report and issue to the College.** **Action: DF to ensure Management responses are provided in time for the Final version of the Payroll Audit Report to be issued to the next meeting of the Audit Committee.**	Verbal
8.	**POLICIES** The Committee were asked to review: • Emergency Evacuation – The Committee questioned if Mitie will sign this off, as a stand-alone document. The Committee were informed that the College intends to obtain a one or two page document from the Contract Manager and ensure Mitie will sense check it and College will then combine the two and get it signed off. The Committee noted a minor point on page 37 on first aiders stating that the first aider should always ensure they are safe to administer first aid in any situation. The College felt that the current training provided to First Aiders does emphasise this. **The Committee ratified the Emergency Evacuation policy.** • Freedom of Expression Code of Practice (June) • Fire Safety (June) • Security (June)	Paper (29)
9.	**RISK MANAGEMENT AND RISK REGISTER** To receive and review impacts and mitigations. The Committee reviewed the risk register and made the following comments: • The Committee felt there was a need for better discipline management of the risk register and moving actions into controls coupled with a better understanding of net risks. There could be more opportunity provided for Chairs of Committees to get into the habit of adding anything from their respective Committees to the risk register in order to properly capture all of	Appendix 1

the relevant risks. To prevent the Risk Register from becoming excessively large and unmanageable this could mean that Committee Chairs notify the Audit Committee Chair (through Chairs Committee) and PCE to ensure that this is managed effectively.

- The Committee raised a concern around accidental fraud following a visit to Abingdon College and if personnel that the College use are vetted if they are not employees e.g. mini bus drivers and implications on health and safety. The Committee were informed that in all employee contracts there are clauses, particularly for part time people and College has a process in place for approving specifics. The personnel used for Abingdon College come under "Procision" contracts. VPFEC is reviewing all "Procision" contracts so it is clear to parents and students when they are on a trip they are doing it with their 'Procision hat' on but they are not a responsibility of the College. However, if something happened the College would look at it (because the College is potentially likely to have an impact on its Reputational Risk), but at a policy level the College were confident and assured they were covered. The Committee pointed out that there could still be reputational damage to the College if a serious event occurred.

- The Committee agreed that the College needs to make significant changes to the way in which it manages and reports risk management. The most notable points being the need to link the risk management process to the key objectives that the College identifies - which will mean developing much of the risk register alongside the budget/strategy development process and reviewing/monitoring the Risk Register alongside budget and strategy progress reviews.
- The Committee felt the process of re-defining the risk register cannot be an activity that is the sole focus of the College risk management work. The Committee wanted to see at the next meeting evidence in the Risk report on how Risk areas have been discussed and managed between the Audit Committee meetings.
- The Committee agreed that there should be a deep dive discussion into a particular risk area at each meeting. The external members considered this and the consensus was that the FD should discuss risks associated with partnerships. It was suggested considering the lifecycle from identifying, selecting, engaging and through to the end of the relationship. It was further recommended that a schedule of deep dives for the academic year should be proposed by the FD. The Committee will agree which of these should be discussed within committee meetings.

Action: FD/PCE to compile a new risk register to manage and report risk management for Committee approval.
Action: FD/PCE to provide evidence in the risk report for the next meeting on how risk areas have been discussed and managed between Audit Committee meetings.
Action: FD to provide a report for the next meeting on how partnerships such as the Procision Contract and similar organisations are governed, the key risks and opportunities associated with them and how off site provision is governed at all levels.
Action: FD to propose a schedule of deep dives for the academic year on risks.

| 10. | HEALTH AND SAFETY | Paper (42) |

	The Committee noted that CWi was at the Health and Safety Committee. The Committee were informed of:	
	- The staff have had an increase in reporting and using SMARTLOG with planned phases in extending its use in monitoring and recording throughout the college and off-site provisions. - One incident classified under the most serious category has been thoroughly investigated and referred to the relevant department for further action. This incident involved a Foundation Learning student in crisis who attempted to hurt a member of staff, leaving the staff member understandably upset and in need of support. 55 out of the 81 minor injuries were the result of student interactions with Foundation Learning Support Assistants. These interactions were manly scratches and pinching to the staff to gain their attention. Talks have happened to encourage staff to be vigilant when working with certain Foundation students. - The Health and Safety Manager witnessed an unsafe activity in the Motor Vehicle workshop. The activity was stopped at the time and has been postponed, pending full investigation and authorisation from the department lead and arrangements for additional training. - The table of incidents highlighted an increase in reported incidents through the SMARTLOG system. The Health & Safety Department's efforts to encourage incident reporting are yielding results. Overall, this is a positive indication of an improved safety culture and demonstrates the College's compliance with the Health and Safety practices. - An emergency evacuation drill took place on 30 September 2024, with an evacuation time of less than 3 minutes, and another drill will be planned for this term leading up to Easter break. - A lockdown drill was conducted on the 8 January with results and feedback available in the next H&S report for Summer 25. - The Health and Safety Manager has been granted access to the Skillgate staff training system to actively identify staff members who need to complete their training, with the goal of increasing completion rates. It was discovered that the register of staff is manually entered, and there are still records of staff who have left the College. Although HR is working diligently to resolve this, there has been a delay in obtaining accurate and up-to-date figures. A joint effort with HR is planned for this term to rectify this. - The Health and Safety Policy is in the process of review and signature by the the Principal and the H&S Manager is working with the DEF to review all H&S related Policies and procedures, with a draft Health and Safety index drawn up to carry out a gap analysis and enable documents to be created, reviewed or updated. The Committee thanked the College for the report.	
11.	**SIGNIFICANT INCIDENT REPORT** There were no significant incidents to report.	Verbal
12.	**INTERNAL AUDIT PLAN** The Committee were informed of three agreed Internal Audits to be completed in the 2024/25 year. These are: • Payroll audit (fieldwork complete, awaiting audit report).	Paper (47)

	• Learner Numbers and Funding Systems (Spring/Summer term) • GDPR (Summer term) The Committee were informed that the VPCS is completing a course on GDPR next week and also informed that there are strong GDPR systems in place within the College. The Committee were informed by Chris Rising that the final internal audit plan was shared at the previous meeting but apologised that the details of estates were accidentally copied into the planned audit scope for the GPDR Audit. CR would email the Committee an accurate copy. The Committee pointed out to CR that there could be confusion between the title of the Financial Controls Audit and the scope of the work performed – the work focused on the migration between the old and new Financial Systems but not on overall Financial Controls. The nature of the coverage and the assurance on the accuracy, integrity and effectiveness of the Financial Controls of the finance systems should be made clear. CR noted and agreed to discuss with MHA. **Action: CR (MHA) to discuss this and report back to the Committee.**	
13.	**AI WITHIN AUDIT COMMITTEE** The Committee discussed and agreed: - The active use of AI requires a cognitive understanding of the wording of the request, and for understanding the accuracy/relevance and practicality of the output – considering things such as Hallucination and asked College to consider what level of assurance is needed and can be provided on this. - Committee requested the College to consider and report to the Committee on its approach/use of AI in both active and passive AI use. - For College to consider and report on the implication on risk universe in the light that using AI as a tool doesn't change the risk owner etc. - For College to report on how does AI need considering in new/updated policies and procedures. - For College to report to the Committee on how AI being used in Cyber security and what knowledge/understanding of this is there. **Action: FD/PCE to produce an AI Report at the next meeting.**	Verbal
14.	**INSPECTION READY** The Committee asked if the College could provide a list of which organisations that could potentially perform inspections so that risk management and readiness can be discussed these could include HSE, Fire Services, Environmental Health, and OFSTED, as examples. This will then be considered for the future meeting. Clerk was asked to add to future Agendas if there are any matters of fraud or potential fraud after the declarations of interest. **Action: FD/PCE to produce a list of organisations that could potentially perform inspections with the intention to determine effectiveness of the processes and inspection readiness.** **Action: Clerk to add Any Matters of Fraud or Potential Fraud as an agenda item after declarations of interest to future agendas.**	Verbal

15.	**POST MEET WITH EXTERNAL MEMBERS** **It is to be noted that all parties left the meeting at 17.33 hours with the exception of the External Members.** **It is to be noted that Chris Wilson left the meeting at 17.43 hours** This is subject to a Confidential Minute.	Verbal
16.	**ANY OTHER BUSINESS** There was none. **Meeting Closed at 17:55 hours** **Date of Next Meeting: Monday 9 June 2025 at 4pm**	Verbal

Signed: *RShackleton*   (Chair)   Date: 12 Jun 2025

Russell Shackleton (Jun 12, 2025, 5:45pm)

Signable

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