



Minutes of the Meeting of the Audit Committee

held at 4.00pm on Wednesday 27 November 2024
held in the College

Present:	Mr S Taylor (ST) Mr F Ahmed (FA) Ms C Ajit Singh (CAS) M M Othi (MO)	Chair
In Attendance:	Mr M Cooper (MC) Ms K Frost (KF) Mr C McGinley (CM) Ms S Blakemore (SB) Mr A Gribben-Lisle (AGL)	Executive Director Finance, HR and Development Head of Governance WBG Partner, Buzzacott

25/24 **Confidential Session**

Governors met with the auditors without management present. There were no concerns raised.

SB said it was important for governors to understand the operating result of the College in context of what they had been told was expected. Sometimes prudence could take over rather than spending money. If the forecast wasn't being reported correctly, governors might be making the wrong decisions.

MC entered the meeting at 4.10pm.

26/24 **Welcome and Apologies**

The Chair welcomed everyone to the meeting and introductions were made. There were no apologies for absence. It was noted that the meeting was quorate.

27/24 **Declarations of Interest**

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

28/24 **Data Protection Update**

Anthony Gribben-Lisle attended the meeting to give an update on his work supporting the College with data protection compliance. The presentation covered the approach being taken for the review, an update on the legal context, data protection principles, the role of the Data Protection Officer and key findings.

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A more detailed report from the review would be provided for the Committee at their next meeting.

AGL said that given his findings so far, the likelihood of the college experiencing a significant personal data breach was low, however the impact of any breach could be significant.

Governors were reminded of their responsibilities in terms of data protection including:

- Being mindful of the College policies for data protection, freedom of information and IT security.
- Security of IT access and papers.
 - Password security.
 - Not saving usernames/passwords on home/3rd party devices.
 - Not saving files locally or onto 3rd party storage, especially portable devices.
 - Minimising the printing and storage of papers – returning papers to the Head of Governance for disposal as required.
- The sensitivity of any papers which include names or personal details and asking the Head of Governance to address any areas of concern with paper authors.

Governors asked where the DPO role usually sat in the organisation. AGL said it varied. There was no need to have a dedicated full-time post so the role of DPO might be undertaken by one of a range of people, such as the Governance Professional, a member of the Executive Team, or a member of Senior Management. AGL stated that the DPO should be independent, an expert in data protection, adequately resourced, and have access to the highest level of management. There were no issues with where the DPO responsibilities were sat at the moment.

Governors asked whether the College had records of data processing in place. AGL said there were some records in terms of data processing but they could do with being refreshed.

Governors said it was important the correct processes were followed before new data was collected or a new system implemented. It was important to ensure an appropriate impact assessment had been completed.

The Committee thanked AGL for his work so far.

AGL left the meeting.

29/24 **Minutes of the Last Meeting**

Minutes from the meeting of the Committee held on 26 June 2024 had been received in advance (Paper 4). IT WAS DECIDED the minutes were a true record of the meeting and they were approved.

30/24 **Matters Arising**

There were no matters arising from the minutes of the last meeting.

31/24 **Risk Management**

a) **Board Assurance Report**

The 'Board Assurance Framework: Nov 24' (Paper 6a) was received in advance of the meeting.

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The Executive Team had reviewed and updated the Board Assurance Framework and the Strategic Risk Register, considered the College risk environment and assurance needs, and was planning first line, second line and third line assurance activities for this year.

There had been no change to the amber areas over the course of the year which included data protection, estates and cyber security. Internal audits for estates and cyber security had been carried out and once all of the internal audit recommendations had been acted on the rating would be reviewed.

Governors noted that there were a number of areas that appeared to have had no assurance activities undertaken for a number of years. They suggested extending the date range included on the document to ensure each area was covered by an activity.

Action: MC

Governors asked who had carried out the assurance activities for the quality of teaching, learning and assessment. MC said there had been a number of HMIs and education improvement consultants involved, he would add more detail about how to the Board Assurance Framework.

Action: MC

b) Risk Register

The 'Full Strategic Risk Register' (Paper 6b) was received in advance of the meeting. The Committee noted the changes that had been made since the last meeting, including the feedback from committees.

Governors asked why the control description for sustainability was blank. It was agreed MC would review this.

Action: MC

Governors asked how long the risk around recruitment had been an issue. MC said it was a sector wide issue and had been a risk for several years now. This was more acute in some areas of provision, such as STEM, trades skills and English. In particular, in Maths and English the College was competing with schools for teachers and there was a significant difference in pay.

Governors discussed the risk of accepting a lower quality of staff because of the risk of having issues recruiting. MC confirmed the college had robust performance management processes in place and quality was paramount. The College wouldn't forego quality to avoid having a difficult conversation.

Governors asked about emerging risks and what the impact of the recent budget was on the College. MC said there was still some financial uncertainty about the level of impact. The change to National Insurance contributions would increase spend by approx. £91k from April (around £275k annually) but it had been assumed that this would be covered in full by the receipt of additional funding from HM Treasury for public sector organisations.

c) Review of Risks Allocated to the Committee

It was noted that the Audit Committee had ownership of the risks relating to data protection, cyber security and fraud and that actions were underway for data protection and cyber security.

Governors asked for some training to be arranged on the topic of fraud.

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32/24 Internal Audit

a) Annual Internal Audit Report

The 'Draft Internal Audit Annual Report 2023-24' (Paper 7a) was received in advance of the meeting.

The Internal Audit opinion was positive. Sufficient internal audit work had been undertaken to allow them to draw a conclusion on the adequacy and effectiveness of the College's risk management, control and governance processes. In their opinion, West Thames College had adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives. There were proper arrangements in place to promote and secure value for money.

Referring to the benchmarking data, it was noted that there were a higher number of recommendations in comparison to other colleges, particularly for the Estates Management review. Although these were mainly low-level risks.

Governors said the report was very pleasing, there was evidence controls were in place.

Governors asked what the key drivers of the Estates audit recommendations were. MC said there had been several changes of staff in the area which had contributed. Governors said had there been stability in the staff, there might have been a lower number of recommendations.

Governors thanked WGB for all the work they did. CM thanked management for their support with the internal audits.

b) Update on Recommendations from Previous Audits

A 'Progress Update on Outstanding Audit Recommendations' (Paper 7b) was received in advance of the meeting.

It was noted that there were 10 outstanding audit recommendations brought forward from June, 7 had now been completed and 3 remained outstanding.

Governors asked about recommendation 6 which appeared to be a larger project. MC confirmed he was working with the Interim Executive Director of Resources to consider how to move forward with it.

Governors asked for a more detailed update on progress towards the recommendations at the next meeting to assist their understanding of how far down the line the College was in terms of getting them implemented.

c) Confirm Internal Audit Plan 2024-25

The proposed Internal Audit Plan for 2024-25 was received in advance of the meeting. The plan had been presented at the previous meeting of the committee.

Budgetary and Financial Reporting
HR Recruitment and Retention
Funding Review: 16-19 Provision
Follow Up Review

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Due to the review of data protection that was underway, it didn't make sense to have a full audit review of that this year so it would be put back to summer 2026. The replacement area was still to be confirmed but consideration was being given to an audit of diversification of income/commercial income. This would be confirmed at the next meeting.

The Committee discussed the audit of funding data. SB confirmed that the ESFA were satisfied if colleges took a rotational view of audits of the different funding streams as long as there had been no significant change in the team or systems. If the ESFA did a full review then there might be no need of an internal audit. It was possible to modify the areas audited in the context of risk.

Governors said student process, destinations and outcomes hadn't been audited for some time. MC said the College took a risk-based approach when putting together the internal audit plan and that area wouldn't be featuring highly in terms of risk. Achievement had been high over the last few years so it wasn't a high score in the risk register.

33/24 Financial Statements Audit

a) Post Audit Management Report

The 'Post Audit Management Report' (Paper 8a) was received in advance of the meeting. SB summarised the findings.

Three opinions were given:

- Teacher's pension scheme return: Clean Opinion.
- Regularity assurance: Unqualified Audit Opinion.
- Financial statements audit: Unqualified Audit Opinion. The statements gave a true and fair view.

The report included details of the materiality basis used. It was confirmed that the audit had gone well and there wasn't a long list of adjustments.

It was pleasing to see that the College already had a Reserves Policy in place which was based around the KPI for cash days. This was a transparent and good basis to start.

The Committee reviewed the benchmarking data in the report. As a broad overview, most colleges had a better year due to the 6.5% additional funding that had been received.

In terms of sector issues:

- LGPS: Now the Government had given a guarantee to colleges, it was hoped the contribution would reduce which could potentially be a saving.
- Support with National Insurance: The Government had said they would provide additional funding the it hadn't been quantified yet. The College would need to consider the impact of suppliers increasing charges.
- AI: The next area of focus would be the risk around use of AI.

The Committee discussed who was included in the benchmarking data. For Buzzacott there were two data sets. One included all of the colleges in the country and the other included colleges audited by Buzzacott. WBG benchmarking data

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included the information from audits carried out with a similar scope from their client base.

Governors thanked SB for the work she had done. SB thanked management for their time and support with the audit.

After a review, IT WAS DECIDED to recommend the Corporation approve the Post Audit Report at their next meeting.

b) **Financial Statements 2023-24**

The 'Draft Financial Statements (Paper 8b) were received in advance of the meeting.

After a review, IT WAS DECIDED to recommend the Corporation approve the Financial Statements at their next meeting.

c) **Letter of Representation**

The 'Draft Letter of Representation' (Paper 8c) was received in advance of the meeting.

After a review, IT WAS DECIDED to recommend the Corporation approve the Letter of Representation at their next meeting.

d) **Regularity Self-Assessment Document**

The 'Regularity Self-Assessment Questionnaire' (Paper 8d) was received in advance of the meeting. It was noted that it had been a clean audit.

IT WAS DECIDED to recommend the Corporation approve the Regularity Self-Assessment Document at their next meeting.

34/24 **Governance**

a) **Audit Committee Annual Report**

The 'Draft Audit Committee Annual Report 2023-24' (Paper 9a) was received in advance of the meeting. IT WAS DECIDED to approve the Audit Committee Annual Report which would be considered by the Corporation at their next meeting.

b) **Training Needs for Committee Members**

It was agreed to discuss training needs for committee members at the next meeting of the committee.

35/24 **Discussion about Tender Process for Auditors**

The contracts for both auditors was due for review on 31 July 2025. There was the option to extend for two periods of 12 months if the Committee was satisfied with the quality of the auditors and if there was the finance in place.

The Committee discussed the options. IT WAS DECIDED to extend the Buzzacott contract for an additional period of 12 months, to 31 July 2026.

IT WAS DECIDED to go out to tender for the Internal Audit Service using the Crescent Purchasing Consortium which would cost approx. £5.5k. It was agreed MC would take this forward.

Action: MC

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36/24 Key Points from the Meeting

- It was decided to extend the contract for the financial statements auditor, Buzzacott, for an additional 12 months and to start a tender process for the Internal Audit Service.
- The Annual Audit Committee report was agreed and is recommended to the Corporation.
- The Committee reviewed the Post Audit Report from the financial statements audit and received assurance that the audit opinions were positive. The Committee is recommending the Corporation approve the Post Audit Report, Financial Statements, Letter of Representation and the Regularity Self-Assessment.
- The Committee also reviewed the Annual Internal Audit Report and received assurance that the controls in the College were good.
- The Committee received a presentation about the work underway on a review of the College's data protection compliance.

37/24 Items for the next agenda

- Receive report from Data Protection review. (Anthony Gribben-Lisle)
- Detailed update on progress made towards recommendations from previous audits.
- Confirm the final internal audit plan for 2024/25.
- Training needs for committee members.

38/24 Date of the Next Meeting

The date of the next meeting of the Committee was Wednesday 12 March 2025 at 4.00pm.

Summary of Actions

No.	Action	Lead	Target Date
31a/24	Update the Board Assurance Framework to extend the date range covered, ensure each area has a tick for an assurance activity and to add more detail about the HMIs and education improvement consultants involved in assuring the quality of teaching, learning and assessment.	MC	Mar 25
31b/24	Add detail to the control description for the sustainability risk in the risk register.	MC	Mar 25
31c/24	Arrange some training on the topic of fraud.	MC	Mar 25
35/24	Commence a tender process for the internal auditor.	MC	Mar 25

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