



Meeting of the Audit Committee

Wednesday 19 March 2025 – 4pm to 6pm - Main Minutes

Boardroom

Governors	Type	Initials	Attendance	Apologies
Maria Craig	Chair - Independent Governor	MC	X	
Eamonn Toland	Independent Governor	ET	X	
Aneela Ali	Independent Governor	AA	X	
Jennifer Boyle	Co-opted Governor	JB	X	
Clerk				
Nicola Taylor	Director of Governance & Compliance	NT	X	
Attendees				
David Alexander	CEO and Principal	DA	X	
Vicki Casey	Director of People and OD	VC	X	
Graham Gillespie	Wbg – Internal Auditor	GG	X*^	
Audrey Cowan	Wbg – Internal Auditor	AC	X*^	

*Attended via Teams / ^Attended for part of the meeting.

A/909 1. Chair's welcome, apologies, conflicts of interest

The Chair welcomed the attendees.

There were no apologies to report, and it was **confirmed** the meeting was quorate.

There would be no presence from Mazars, external auditor, at this meeting.

All attendees were invited to declare any relevant interests, other than those previously noted. There were no further declarations made.

A/910 2. Minutes of the Last Meeting – 12 November 2024

A) The Committee **reviewed** the main minutes from the previous meeting and **agreed** they were a true and accurate account of the meeting.

B) The Committee **reviewed** the confidential minutes from the previous meeting and **agreed** they were a true and accurate account of the meeting.

The minutes were approved.

A/911 3. Matters Arising / Action Log

A) Action Log

NT presented the report and provided the following updates:

- Whistleblowing Training – This is yet to be completed by the Deputy Principal Finance & Resources however following the post holder's intention to retire, this would be progressed with any future post holder. This would remain an ongoing action until completed.
- Internal Audit Plan – This would be progressed for the next 3-year cycle. This would remain an ongoing action until completed.
- Business Continuity follow up testing – This was to be picked up as part of a follow up exercise.

Action: VC to follow up with Wbg to arrange Business Continuity Testing follow up (June 2025).

- Live Chat data sharing – This was an ongoing action which was still being explored. This would remain an ongoing action until completed.
- Wider audit actions to be included in future tracker – There were no actions to include for this meeting. This action would be marked as closed and would continue to be progressed.
- All other actions had been marked as closed or complete.

The Chair **noted** she would follow up with VC outside of the meeting regarding the level of assurance from internal health and safety audits.

Action: MC/VC to follow up regarding assurance from internal health and safety audits (June 2025).

The Chair **requested** for completion dates to be added to all outstanding actions.

Action: NT to add completion dates for any outstanding actions (June 2025).

B) Notifications and Disclosures

There were no notifications or disclosures to report.

The Audit Committee noted the report.

A/912 4. Internal Audit Reports

AC presented the internal audit reports for the reviews of College internal Financial Controls, College Financial Handbook and Human Resources, highlighting the following:

Financial Controls

Covered under a confidential minute.

All recommendations had been accepted by management however timescales were to be agreed.

The Committee and Principal **provided their thanks** to the internal auditors for the work on this audit.

The Committee **discussed** timescales for the recommendations and, along with the CEO / Principal, **agreed** these would be progressed by the end of July 2025. The Committee **discussed** a follow up review post July 2025, to ensure validation of the work completed.

Action: College to work to an end of July 2025 timescale for completing actions following recommendations of internal audit.

Further information relating to this item, including next steps, was included under Internal Audit Tender Recommendation and Any Other Business.

Colleges Financial Handbook

The report identified eight areas of good practice and no recommendations. This audit was following the introduction of the Colleges' Financial Handbook to ensure the College's internal financial control documents had taken cognisance of this. This audit took place in December 2024.

Covered under a confidential minute.

Human Resources

The report identified six areas of good practice and two, low grade, recommendations. The audit included the review of various processes, procedures, and contracts.

The internal auditors highlighted a limitation of scope, whereby training records were not provided. VC clarified, noting training records had not been requested as part of the audit scope or initial meeting, and when requested towards the end of the audit it was noted this would take some time in collating which would be past the audit completion date and therefore, as not originally noted to provide, the records weren't covered as part of the review.

The Committee **discussed and queried** the following:

- The review ensuring if DBS checks were in place – it was confirmed sample checking did cover ensuring DBS checks were in place, and this had also been covered as part of a previous Safeguarding audit.
- The implementation of a follow up process for staff not returning their signed contracts – it was suggested this process would improve with digital onboarding however an interim manual check had been implemented by HR to ensure contracts were returned.
- The grading of the recommendation (low) relating to staff working without contracts – VC noted the level of risk was limited as in all cases where the auditors had raised this offer letters were issued to staff which set out key terms of employment. It was reiterated this related to a very small number of staff and was not a common occurrence.

Internal Audit Plan

The Committee **queried** the linkage between the risks on the Strategic Risk Register and the scope of the internal audits, and **provided further challenge** as to whether the internal audits did provide assurance of the risks. This has been challenged previously with the Audit Committee's request to ensure each internal audit specifically referenced the risk in which it relates to.

GG highlighted that the Internal Audit Plan for 2024/2025 had been considered by the Committee in June 2024 ahead of seeking Board approval and high-level scopes were included within the plan however, this could be considered in greater detail going forward as part of the individual scoping exercises.

The Committee **recognised** that internal audits would not be able to cover all mitigating actions referenced for a strategic risk, however the purpose of the audit should be to provide assurance of the overall mitigation of a risk.

It was confirmed there was 1 internal audit report remaining in the 2024/2025 plan, relating to Student Support Funds. The Committee **requested** for the scope of the review to be reconsidered in terms of depth, detail, and assurance of strategic risk.

Action: NT (in the absence of JC) to work with Wbg to ensure Student Support Funds internal audit links back to the relevant strategic risk (June 2025).

The report was noted.

A/913 5. Rolling Audit Recommendations Tracker

NT presented the report, highlighting the following:

- The tracker identified 20 actions, 17 relating to internal audit and 3 relating to external audit. 2 internal audit actions were outstanding with their due dates extended to allow for completion.
- 4 of the completed actions were awaiting external validation; 1 relating to internal audit and 4 relating to external audit.

The report was noted.

A/914 6. Risk Management

6.1 Risk Management Policy

DA presented the report, highlighting the policy had been reviewed and updated.

The Committee **discussed and queried** roles and responsibilities in relation to the Risk Management Policy and the Executive Team owning the risk register and the Board not being required to approve significant changes. The Committee **queried** alignment with 'The Orange Book Management of Risk – Principles and Concepts'. Reassurance was provided that the changes were to enable the Executive Team to act and respond to the operating environment and risks as they emerged, with a continued focus on the Board owning the framework and the Executive Team operationally managing this. The Committee **requested** for additional wording to be added in line with the 'The Orange Book Management of Risk – Principles and Concepts' to further reflect this.

Action: NT to update Risk Management Policy in line with 'The Orange Book Management of Risk – Principles and Concepts' and recirculate to the Committee ahead of seeking Board approval (April 2025).

The Audit Committee **provisionally recommended** the revised Risk Management Policy for Board approval, subject to additional wording being added.

The policy was provisionally recommended.

6.2 Review of Strategic Risk Register (including Assurance Map)

DA presented the report.

It was noted there had been a conversation at the People Committee regarding risk appetite being specific to the downside of risk. The Committee agreed the purpose of risk appetite was not to stifle innovation or opportunities.

Action: MC to follow up with the Chair of the Board regarding risk appetite for downside / upside of risk (June 2025).

DA noted further work would be undertaken in relation to the horizon scan going forward to ensure this was more forward focussed.

The Committee noted the summary of committee discussion on risk was helpful. The Committee queried how this was followed up. It was confirmed that following consideration at the Audit Committee any actions would be considered within the risk report to the Board meeting and included within future versions of the report at committee level.

The Committee noted the work of the assurance map.

The Committee discussed and queried the following:

- Timescales for risks not within tolerable levels to become tolerable, to allow the Committee to understand the potential exposure levels in relation to risks where further mitigations were needed. A discussion took place regarding the risk relating to Cyber, and this being an example of where the College felt unable to sufficiently treat the risk to a tolerable level.
- Strategic risks relating to the strategic priority of Partnership – it was recognised that risks contained within the risk register spanned across multiple college strategic priorities and individual risks often related to more than one of the four college strategic priorities. There was however, a discussion as to whether there was a need to include any additional risks relating specifically to partnership. It was agreed this would be further considered by the Executive Team.

Action: Executive Team to consider strategic risks relating to the strategic priority of Partnership (July 2025).

The Committee discussed the proposed changes in risk appetite in turn. The Committee requested for additional context to be added behind the reasoning of appetite change in relation to Sustainability, noting that sustainability improvements were not to be at the detriment to learner experience, and to also be open to explore opportunities to improve the College's environmental impact.

Action: NT to add additional narrative relating to the environmental risk appetite proposal (April 2025).

The Committee requested for consideration to be taken of revised risk appetites in relation to the Assurance Map to understand if/where additional assurance may be needed.

Action: NT to consider revised risk appetites in relation to the level of assurance provided by the Assurance Map (June 2025).

The Committee recommended the revised risk appetites for Board approval.

Action: NT to seek approval of the revised risk appetites for Board approval at the April meeting (April 2025).

The report was noted.

A/915 7. Freedom of Information and Environmental Information Regulations Policy

NT presented the report, highlighting this was a new policy with the aim to ensure the College adhered to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, providing a robust framework for handling information requests.

The Committee **discussed** the following:

- Publication of the policy – NT confirmed this would be externally published on the College's website, and staff communication of the policy would take place in the College's weekly brief to all staff.
- The suggestion to include a reference to Subject Access Requests, noting the difference of approach / appropriate policy for these.

Action: NT to add in a reference to Subject Access Requests ahead of seeking Board approval (April 2025).

- Resource to cover the role of Data Protection Lead and responding to FOIs in NT's absence – it was confirmed cover was in place for this.
- The number of FOIs received by the College.

The Audit Committee **recommended** the Freedom of Information and Environmental Information Regulations Policy and Procedure for Board approval.

Action: NT to seek Board approval of the Freedom of Information and Environmental Information Regulations Policy and Procedure at the April Board meeting (April 2025).

GG and AC left the meeting.

A/916 8. Audit Tender Recommendations

8.1 Internal Audit Tender Recommendation

NT presented the report.

Following the outcome of the tender, the Audit Committee **recommended** that the contract was awarded to HW Controls & Assurance Ltd trading as Validera for a 40-month period, with an option to extend for a further period of 24 months. Any extensions the offered by the College would be subject to satisfactory contract performance.

Action: NT to progress the Internal Audit Tender Recommendation for Board approval at the April Board meeting (April 2025).

The Committee **discussed** the follow up of the Financial Controls internal audit and it was suggested for this to be carried out by Wbg to allow them to consider the progress made since the audit. This would need to be actioned before the academic year end as part of the current contract.

The Committee noted their expectation that the Finance Controls internal audit would be a key part of the transition between Wbg and Validera.

The report was recommended for approval.

8.2 External Audit Tender Recommendation

NT presented the report.

Following the outcome of the tender, the Audit Committee **recommended** that the contract was awarded to HaysMac LLP for a 48-month period.

Action: NT to progress the External Audit Tender Recommendation for Board approval at the April Board meeting (April 2025).

The report was recommended for approval.

The Committee **noted** the risk of changing both internal and external auditors at the same point in time. DA provided reassurance that the proposed new contract lengths for internal and external differed going forward and so would prevent this from happening in the future.

A/917 9. Evaluation of Auditor Performance

9.1 Evaluation of Internal Auditor Performance

An evaluation exercise had taken place of the work of the internal auditors, with feedback being sought from members of the Audit Committee, the Principal and senior managers. Feedback was positive.

The Audit Committee **noted** the report and **approved** for the responses to be shared with Wbg.

Action: NT to share evaluation responses with Wbg (March 2025).

The report was noted.

9.2 Evaluation of External Auditor Performance

An evaluation exercise had taken place of the work of the external auditors, with feedback being sought from members of the Audit Committee, the Principal and senior managers. Feedback was positive.

The Audit Committee **noted** the report and **approved** for the responses to be shared with Mazars.

Action: NT to share evaluation responses with Mazars (March 2025).

The report was noted.

A/918 10. Any Other Business

Financial Controls Internal Audit Next Steps

Covered under a confidential minute.

A/919 11. Date of the next meeting

The date of the next meeting was confirmed as Tuesday 03 June 2025 at 4.00pm.