

**Minutes of the Virtual Meeting of the Audit Committee**  
**26 March 2025**  
8:30am to 10:32am

**Governors present:** Helen Simpson (Chair) 'HS'; Andrew Elsby-Smith; Steven Bell; Stephen Davies  
**Apologies:** David Isted;  
**In attendance:** Claire Boliver (CEP) 'CB'; John Snow (Deputy Principal – Finance and Resources) 'JS'; Helen Knowles 'HK' (Mazars); Roopa Patel-Harji (Internal Auditors – Validera) 'RPH'; Jo Hutchison (Head of Governance) 'HoG'

**Decisions: in bold; Support: Blue; Challenge: Yellow Items to be minuted confidentially**

<b>Audit</b>	<b>Procedural Matters</b>	<b>Actions</b>
1.1	<b>Welcome and Apologies for Absence</b> HS opened the meeting at 8:30am and welcomed the governors and attendees to the Audit Committee. Apologies for absence from David Isted had been received and were accepted.	
1.2.	<b>Declarations of Interest</b> There were no declarations of interest.	
	<b>Meetings between Committee and Auditors</b>	
2.1	<b>Meeting between the Auditors and the Committee without Management present</b> <i>[Redacted due to confidentiality]</i>	
	<b>Minutes and Action Grid</b>	
3.1	<i>JS and CB rejoined the meeting at this point.</i> <u>Minutes</u> <b>Resolved: the minutes of the meeting 29 November 2024 be approved as a true record.</b>	
3.2	<u>Action Grid</u> The Committee reviewed the action grid noting the actions closed and noted that other than the outstanding action on the Internal Auditors, all actions were completed or would be covered on the meeting agenda. RPH reported that all internal audit items were up to date based upon the agreed plan and therefore was no further update to provide.	
	<b>Data Protection, Fraud, Irregularity, Impropriety, Health &amp; Safety, Cybersecurity, Business Continuity and Whistleblowing</b>	
4.1	<b>Annual Review of Data Protection / GDPR Report</b> JS presented the report and highlighted that: <ul style="list-style-type: none"> <li>The College had a Data Protection Policy in place which was reviewed in October 2024.</li> <li>The College outsourced its Data Protection Officer function to Staffordshire County Council.</li> <li>The College was successful in gaining the ISO27001 accreditation in Summer 2022 and was working towards upgrading to the revised 2022 standard during this year.</li> <li><i>[Redacted due to confidentiality]</i></li> <li>There had been no known data breaches in the last 12 months.</li> <li>Data Protection training was a mandatory module for all staff in College, <i>[Redacted due to confidentiality]</i></li> </ul> <i>[Redacted due to confidentiality]</i>	

	<p>JS reported that in May 2024 data protection was the subject of an internal audit as part of the Information Governance audit and positive assurance (adequate assurance) was achieved. Since the audit JS reported that all recommendations made had been implemented.</p> <p>A Governor sought clarification on how the outsourced data protection officer role operated in practice and the support provided. JS reported that the service from Staffordshire County Council operated well, although there had been very few potential data breaches and therefore limited use of the service. However there was a good support service provided where management could seek advice which on the occasions when it had been utilised had been helpful, proactive and practical.</p> <p>A Governor sought clarification on whether there was a possibility of the ISO270001 becoming a future requirement for DfE funding and whether this could be a factor in continuing to maintain that kitemark.</p> <p>The Chair sought comments from the internal audit service on the annual report and any observations they had. RPH would seek feedback from the subject matter experts within Validera and provide feedback to the Committee via the Head of Governance.</p> <p><i>Post meeting note: Validera reported that all seemed reasonable, although ISO27001 was no guarantee of anything apart from having an Information Security Management System in place. If it was not followed or was weak the College was no better protected.</i></p>	RPH
4.2	<p><b>Cyber Security Report</b> [Redacted due to confidentiality]</p>	
4.3	<p><b>RIDDOR Report – lessons learnt</b> JS presented the report and highlighted that:</p> <ul style="list-style-type: none"> <li>In November 2024 there had been a RIDDOR (“the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations”) reportable incident in the previous year which had not been reported in a timely manner to the Health &amp; Safety Executive (“HSE”).</li> <li>This report set out the lessons learnt from that incident and the steps taken to address slips, trips and falls generally and to ensure that incidents were reported in a timely and complete manner in future and to encourage the reporting of near misses as well as incidents.</li> <li>To support timely reporting staff were being encouraged to ensure they had a clear understanding for any staff absences, and whether these related to an illness or to an incident that had happened at work.</li> </ul> <p>A Governor supported the work to encourage and raise awareness of the importance of recording incidents and near misses and highlighted that as well as general awareness raising, it would be important to particularly target the higher risk areas within the College.</p> <p>A Governor sought clarification on how the College triangulated any RIDDOR incidents with the overall College Risk Register. JS reported that the Risk Register did include regulatory risks and given the potential reputational damage that RIDDOR risks could pose and the importance of these being reported in a timely manner there had been a proactive response to this across the leadership team.</p>	
4.4	<p><b>Policies Reviews</b> JS presented the Policy Reviews report which related to two policies: <u>Business Continuity Policy:</u></p> <ul style="list-style-type: none"> <li>The Policy had been updated with a section (4.2) relating to the Terrorism (Protection of Premises) Bill (also referred to as “Martyn’s Law”) which was currently passing through Parliament.</li> </ul>	

	<ul style="list-style-type: none"> <li>The College had confirmed its commitment to being prepared for the Law once its final form was known.</li> <li>Names and roles had been updated in the Appendix A (the Incident Management Group).</li> </ul> <p>A Governor highlighted the role of local councils in leading resilience fora and suggested that consideration could be given to including reference to these within the Policy as they could be aware of local area risks which could be pertinent to the College. In addition the UK National Risk Register could be referred to in the Policy as well. JS agreed to update the policy to reflect these before it went to the Board for approval.</p> <p>A Governor sought assurance around the steps taken to raise staff awareness of the business continuity arrangements in place. JS reported that the detailed procedures underling the policy would be updated over Easter and shared with all staff. <i>[Redacted due to confidentiality]</i></p> <p><u>Retention Policy:</u></p> <ul style="list-style-type: none"> <li>The Policy had been updated to include “consultants” to confirm they also shared responsibilities.</li> </ul> <p>The Chair sought comments from the internal audit service on the two policies and any observations they had. RPH would seek feedback from the subject matter experts within Validera and provide feedback to the Committee via the Head of Governance.</p> <p><i>Post meeting note: Validera reported that both policies seemed reasonable.</i></p> <p><b>Resolved: To recommend the Business Continuity Policy and the Data Retention Policy to the board for approval.</b></p>	<p>JS</p> <p>RPH</p>
4.5	<i>[Redacted due to confidentiality]</i>	
4.6	<p><b>Update related to Data Protection, Fraud, Irregularity, Impropriety, Health &amp; Safety, Cybersecurity and Whistleblowing</b></p> <p>JS reported that there were no further items related to data protection, fraud, irregularity, health &amp; safety, cyber security, business continuity or whistleblowing which were not covered on the agenda.</p>	
	<b>Internal Audit Reports and Action Grid</b>	
5.1	<p><u>Marketing (including Social Media) Internal Audit</u></p> <p>RPH presented the Marketing (including social media) internal audit report which had received Substantial Assurance demonstrating that the systems and controls in this area were substantial. The objective of the audit was to ensure that the College had effective controls in place for managing its marketing activities and online presence. RPH reported that it was evident from the review that key documents were in place to aid and support this function and the Marketing team utilise a number of monitoring tools to generate analytical reporting. No areas for improvement were identified.</p> <p>CB reported that following this review and wider investigations it had been noted that a number of departments were running Facebook pages and the Marketing team were taking control of these.</p> <p>A Governor sought clarification on application of consumer protection law (which applied to Higher Education) regarding the information provided on course details and terms and conditions and whether the same arrangements applied in Further Education, and if so whether the scope of the audit review covered those aspects. JS reported that Further Education was not in the same position as higher education, although with the plan to seek</p>	

	<p>Office for Student registration, the College would then be required to comply with consumer protection law in respect of those courses. JS reported that the College did not provide a significant number of courses which were currently self-funded by learners (as was the case with higher education). However the College did still seek to ensure that the marketing of courses was clear, and the use of standard templates for all courses supported this.</p> <p>A Governor sought clarification from the internal auditor as to whether there were any areas for improvement for the College to consider, noting that the report had not identified any. RPH reported that the review had looked rigorously and received system walk throughs as well as reviewing the analytical reporting and monitoring tools and had not identified any items to bring to the Committee's attention.</p> <p>The Chair thanked the Marketing team for their work in this area and asked for the Committee's thanks to be passed on to the team.</p> <p><u>Internal Auditors' Progress Report</u></p> <p>RPH highlighted that no client satisfaction surveys had been completed. She reported that three internal audit reviews had been completed; Risk Management, Health &amp; Safety and Marketing, with two remaining; Income &amp; Debtors which was due to start imminently and finally the Bursary &amp; Learner Support review.</p> <p>RPH highlighted that in respect of the Bursary &amp; Learner Support audit she was waiting to hear from management as to whether this audit would proceed as planned. This was because the College had been notified in the Autumn term that Bursary &amp; Learner Support had been selected for an external funding review, and she was waiting to hear whether that had been completed and whether there were recommendations which an internal audit review could follow up or whether there was expected to be another area selected for this year's final audit.</p> <p>JS reported that the DfE Bursary &amp; Learner Support audit (which was being undertaken by PWC) had not yet been finalised although this was expected to be completed shortly. JS reported that having nearly completed this audit he did not believe there would be good value in repeating this audit this year and the anticipated outcomes were expected to be generally positive although he did expect there to be some areas for improvement identified.</p> <p>JS highlighted that the College had considered alternative potential areas including another area related to student data (although this would be audited as part of the external audit) or an audit on cash processes.</p> <p>The Chair sought the initial views of the Committee on whether to proceed with the Bursary &amp; Learner Support audit, identify another area or decide not to proceed with a fifth audit this year.</p> <p>A Governor sought clarification on whether the DfE audit would be reported to this Committee, and JS reported that would be the case. JS reported that if this audit identified areas for improvement, it could then be appropriate to include that on the audit plan for the next academic year.</p> <p>A Governor sought clarification on when the Committee could expect to receive the PWC audit report. JS reported that he would expect this in time to present to the June Audit Committee. Given those timelines it was agreed that any recommendations from that report would then be considered as part of the work on the Internal Audit Plan for 2025/26.</p> <p>Following discussion, the Committee requested that JS draft a short report, following discussion with the executive leadership team, with a recommendation and reasons for the final audit review area. This would be circulated for a decision by the Committee which would be presented to the Board at its meeting on 10 April 2025.</p>	<p>JS / JH</p>
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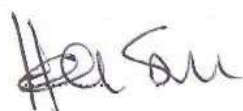
	<b>Resolved by circulation that the recommendation for the final internal audit review to focus on Cash Handling (in place of the Bursary &amp; Learner Support review), for the reasons set out in the report circulated to the Committee was approved by the Committee for recommendation to the Board.</b>	
5.2	<p><u>Internal Audit Recommendation Tracking Grid</u></p> <p>JS presented the tracking grid and reported that:</p> <ul style="list-style-type: none"> <li>• The College had started the year with 12 active audit recommendations.</li> <li>• 7 further recommendations had been made in Internal Audit reports during this year, giving a total of 19 recommendations.</li> <li>• Of these, 18 recommendations had subsequently been completed including the two external audit recommendations.</li> <li>• The only In Progress recommendation was not due until May 2025 (Risk Management).</li> </ul> <p><b>The Committee thanked JS for the work to complete the recommendations made.</b></p>	
	<b>Risk Management</b>	
6.1	<p><u>Corporate Risk Register</u></p> <p>JS presented the updated risk registers for 2024-25. JS highlighted that:</p> <ul style="list-style-type: none"> <li>• The Risk Register formed part of the College risk management process.</li> <li>• The Risk Registers had been reviewed by the College Risk Management Group and the College ELT prior to this Audit Committee review. In addition, relevant risks were now also being reviewed at Committees / Groups (Tamworth Relocation Project Group, Finance &amp; Resources Group, Curriculum &amp; Quality Improvement Group and Governance &amp; Search Committee) where additional scrutiny of the relevant risks was undertaken and feedback had been incorporated.</li> <li>• College banking covenants were a reducing risk as the College operating surplus remained at good levels.</li> </ul> <p>JS highlighted the following which were new risks and the main risks:</p> <ul style="list-style-type: none"> <li>• <i>[Redacted due to confidentiality]</i></li> <li>• Failure to execute the College Property Strategy (C14) /</li> <li>• <i>[Redacted due to confidentiality]</i></li> <li>• Loss of TORC lease (C16), where a recent meeting had led to some improvement in this area.</li> <li>• <i>[Redacted due to confidentiality]</i></li> <li>• UK Economic Outlook (C23)</li> </ul> <p><u>Covenant Risk Register</u></p> <p>JS reported that once the in-year funding for 16-18 year olds was confirmed the covenant position would improve further. Under the current figures, all covenants remained compliant. JS reported that he had met with the banks this week and updated them, and they remained supportive.</p> <p><u>Tamworth Relocation Risk Register</u> <i>[Redacted due to confidentiality]</i></p>	
6.2	<p><b>New Finance System</b></p> <p>JS reported that the implementation process was underway. The implementation date had been delayed due to a change in the project management team at the supplier. The revised implementation date was now September / October 2025, which would lead to an overlap with the current finance system. <i>[Redacted due to confidentiality]</i></p> <p><b>A Governor highlighted that implementing any new finance system involved risks for an organisation and requested that JS present to the Committee at its June 2025 meeting the New Finance System risk register and high level project plan for the Committee's consideration. The Committee would also want to consider within the Internal Audit Plan for</b></p>	<b>JS</b>

	2025/26 onwards the assurance it required and requested that the internal and external auditors consider how their work plans and time should be allocated to this risk area. The Head of Governance was requested to ensure that sufficient time was available for this discussion at the June 2025 Committee meeting.	<b>JH</b>
	<b>Governance</b>	
7	<p><b>Committee Self Evaluation</b></p> <p>The Head of Governance updated the Committee on the proposal presented to the Governance &amp; Search Committee in March 2025 which aimed to improve and streamline the self-assessment and evaluation process for the Board, Committees and Groups through the utilisation of online tools.</p> <p>The Head of Governance reported that if the Board approved the new process this would be rolled out to Governors next term and further feedback would be sought at the meeting in June. The proposed new process would not require Committees / Groups to grade their performance (using the OFSTED grade) but would seek to identify Governors views on how Committees / Groups operate as well as the activities covered. The Head of Governance welcomed any further feedback from members in terms of their experience in seeking / undertaking Committee self-evaluation.</p> <p>Following discussion the following suggestions were made:</p> <ul style="list-style-type: none"> <li>Consider contacting a comparable College to undertake a peer review exercise to share best practice;</li> <li>Seek feedback on other College's best practice at the upcoming AoC Audit and Finance Chair's Network meeting;</li> <li>Request that the next External Board Review (in 2025/26) provides specific feedback on the performance of the Audit Committee.</li> </ul> <p>Governors and attendees were invited to provide any further feedback to the Head of Governance.</p>	
	<b>Any Other Business for all attendees</b>	
8.1	No other items had been notified.	
8.2	<p><b>Items to be minuted as confidential</b></p> <p>The Committee considered if there were any items covered in the meeting which should be minuted confidentially <i>[Redacted due to confidentiality]</i></p> <p>The Chair thanked the internal and external auditors for their attendance at the meeting.</p> <p><i>RPH and HK left the meeting.</i></p>	
	<b>Meeting between Management and the Committee</b>	
9.1	<b>Meeting between the Committee and Management without the Auditors present</b> <i>[Redacted due to confidentiality]</i>	
9.2	<p><b>Template for feedback on audits undertaken</b></p> <p>The Head of Governance presented her report and highlighted that following the action to consider how to improve feedback on internal audit reviews she had developed a suggested process and draft questionnaire for consideration by the Committee. She highlighted that the proposal included:</p> <ul style="list-style-type: none"> <li>The Head of Governance seeking feedback following internal audits being completed via a FORMs from stakeholders, including College staff members involved in the audit, members of the executive leadership team, members of the Audit Committee and the internal auditors;</li> </ul>	



	<ul style="list-style-type: none"> <li>Starting the process from the start of the new academic year (2025/26);</li> <li>The Audit Committee members feedback will be sought on Question 6 only</li> <li>The FORMS questionnaire responses will be feedback to the Committee by the Head of Governance on all stakeholders' views in a timely manner for discussion and for any improvement action to be identified.</li> </ul> <p>A Governor sought feedback whether this process duplicated the internal audit firm's processes, and it was discussed that whilst this could be the case, currently few client satisfaction surveys were completed by staff. It was agreed that the Head of Governance should discuss the proposals with the new internal auditors for their views. The Committee supported the proposals and agreed that subject to receiving the views of the new internal auditors, the process could be trialled from the start of 2025/26.</p>	JH
10	<b>Re-appointment of the External Auditor</b>	
	<p>JS reported that:</p> <ul style="list-style-type: none"> <li>Mazars had completed four years of their contract having successfully retained their contract for the 2020-21 financial year onwards.</li> <li>Mazars had performed well and had been supportive in working with the College in the 2023/24 accounts including issues with the Tamworth New Build.</li> <li>For the 2023/24 external audit, Mazars allocated a new partner (Helen Knowles) to the College as David Hoose had completed seven years as audit partner.</li> </ul> <p>A Governor further commented as there was due to be a change in the internal audit firm it would not be ideal to also change external auditors, unless required.</p> <p><b>Resolved to recommend to the Board the re-appointment of Mazars as external auditors.</b></p>	
11	<b>Recommendation regarding the Internal Audit Service for 2025-26</b>	
	<p>JS presented his report and highlighted the following:</p> <ul style="list-style-type: none"> <li>The College had tendered for a new Internal Audit Service contract beginning in the 2025-26 financial year.</li> <li>Five tender returns were received and two were shortlisted; <i>[Redacted due to confidentiality]</i></li> <li>Both firms presented to a selection panel on the 4<sup>th</sup> March 2025, which comprised four of the five members of the Audit Committee together with JS and the Head of Governance.</li> <li>TIAA were selected as the successful firm based on the information provided and their performance during the presentations.</li> </ul> <p><b>Resolved to recommend to the Board the appointment of TIAA as Internal Audit Service providers from the 2025-26 academic year onwards for a period of three years, extendible by two further years if required.</b></p>	
	<b>Date of next meeting</b>	
12	<p>The next meeting is at 8.30am Thursday 19 June 2025 at 8:30am via Microsoft Teams</p> <p>The meeting closed at 10:32am</p>	

**Approved as a true record in a meeting on 19 June 2025**





**Chair of Audit Committee**