



**Minutes of the meeting of the Audit Committee held on Wednesday 27 November 2024
at 4pm**

Present:

George Graham (Chair)
Emma Dawson (Co-opted member)
Donavan Hutchinson (Governor) (by Teams)
Jo Mallows (Governor) (by Teams)
Matt Mills (Governor) (by Teams)
Ethan Sumner (Co-opted member) (by Teams)

In attendance:

Heather Jackson (Clerk)
Gavin Batty (Deputy CEO)
Hayley Allsopp (Vice Principal Students)
Shaun Cook (Vice Principal Curriculum)
Tony Johnson (Vice Principal Corporate Services)
Laila Lawton (Vice Principal Finance)
Sue Slassor (Vice Principal Quality)

Anastasia Mullen (RSM)
Dilun Mistry (TC Group) (by Teams)
James Herriott (TC Group) (by Teams)

PART I – For Publication

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PROCEDURAL MATTERS	
A24/079	Agenda Item No. 1: Quorum The meeting was quorate.
A24/080	Agenda Item No. 2: Apologies for Absence Apologies were received from Carly Speechley, Lisa Smith and Rob Barnett.



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A24/081	Agenda Item No. 3: Declarations of interest There were no declarations of interest.
A24/082	Agenda Item No. 4: Appointment of New Member It was RESOLVED to approve the appointment of Carly Speechley as a member of the Audit and Risk Committee.
A24/083	Agenda Item No. 5: Minutes of the meeting held on 8 October 2024 It was RESOLVED to approve the minutes of the meeting held on 8 October 2024.
A24/084	Agenda Item No. 6: Register of Interests It was RESOLVED to note the Register of Interests
A24/085	Agenda Items No. 7: Matters Arising There were no matters arising
A24/086	Agenda Item No. 8: Rolling Action List It was RESOLVED to note the Rolling Action List
A24/087	Agenda Item No. 9: Notification of items of any other business The Chair noted that there was one confidential item of other business.
A24/088	Agenda Item No. 10.1: Progress Report Anastasia Mullen presented the Progress Report. Since the last meeting one report had been issued and fieldwork dates for all audits had been scheduled. Governors noted the changes to the audit



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	<p>code of practice and that this would not change the format of future internal audit reports.</p> <p>It was RESOLVED to note the Progress Report.</p>
A24/089	<p>Agenda Item No. 10.2: Student Experience/Learner Journey</p> <p>Anastasia Mullen presented the Student Experience/Learner Journey report. Taking into account the issues identified, it was noted that the committee and Board could take substantial assurance that the controls upon which the organisation relies are suitably designed, consistently applied and effective. No management actions were needed.</p> <p>Governors discussed the report and whether it provided the assurance that they needed. It was noted that this audit was brought forward to provide additional assurance that key areas of the college operations were working well. The period of time observed was key to ensure the learners were settled and on the right programme and therefore likely to stay at the College. It also allows the College to triangulate against other activities and gives a fuller picture of the over student experience.</p> <p>Governors also discussed at risk students and the new Gatsby information advice and guidance benchmarks</p> <p>It was RESOLVED to note the Student Experience/Learner Journey report.</p>
A24/090	<p>Agenda Item No. 11: Going Concern and Management Judgements</p> <p>The Vice Principal Finance presented the Going Concern and Management Judgements.</p> <p>The College group is assessed as a going concern. Its financial forecasts to July 2026 and cash flow forecasts to the same date show no issues. There is sufficient headroom in all bank covenants to withstand the financial impact of unforeseen circumstances. It was noted that management were confident that the College has relevant, sufficient and appropriate mitigations in place to protect the College.</p> <p>ITS is considered as a going concern, the Vice Principal Finance had taken a cautious approach as there were some short term cash flows issues. Smartstyle continues to require a letter of support as it is not financially viable. The College has assessed whether it has sufficient resources to cover</p>



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	<p>this and concluded that it can financially support ITS and Smartstyle for the next 12 months. The College has sought DfE advice and they had confirmed that issuing letters of support was within the College's operational remit.</p> <p>Governors noted the very comprehensive nature of the report and noted that cyber risk, inflation, or interest rates had also been included.</p> <p>Governors noted that Think still had value to the College and there was no proposal to wind it down currently.</p> <p>It was RESOLVED to recommend the College as a going concern to the Board.</p> <p>It was RESOLVED to recommend to the Board that the College issues a letter of financial support to Smartstyle for a period of 12 months to December 2025.</p>
A24/091	<p>Agenda Item No 12: Audit Findings</p> <p>Dilun Mistry presented the audit findings and confirmed that they had maintained compliance with the FRC's ethical standard and were able to issue an objective opinion on the financial statements.</p> <p>Governors noted that it had been a clean audit from a regulatory perspective with no issues around income, fraud, or management override.</p> <p>Governors noted a small number of minor issues around staffing, training and invoices reviewed after cut off points but the College was content with the actions currently taken and would not be taking any further action. Recommendations on estate accruals and disposal of and depreciation of assets, capitalisation, leases and cross check of the register of interests were agreed.</p> <p>There was a lengthy discussion on the detail, context and evidence used to identify issues and the value that they added to the report and audit process. It was noted that the College had not agreed with a number of the findings and it was agreed that these would not be followed up as they were not substantial or substantiated.</p> <p>It was agreed that some of the wording would be clarified in the final report which would be presented to the board for approval.</p>



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	<p>It was RESOLVED to note the annual audit findings report, letters of representation and financial statements and recommend their approval to the Board.</p>
A24/092	<p>Agenda Item No 13: Audit Committee Annual Report</p> <p>The Clerk presented the annual report of the audit committee. It was noted the report summarises the Committee's activities relating to the financial year under review and contains a statement of the Audit Committee's opinion on the level of internal controls operating within the College. It had been updated to reflect deep dives following a request from the Governance Deep Dive carried out in Spring 2024.</p> <p>It was RESOLVED to approve the report and recommend its approval to the Board.</p>
A24/093	<p>Agenda Item No. 14: HE Annual Monitoring Report</p> <p>The Vice Principal Quality presented the HE Annual Monitoring Report.</p> <p>2023/24 has seen another successful year of activity for Higher Education at the College. The standards of the awards continue to be sound, and learning opportunities for students at the College remain high quality, despite the challenges of the past few years.</p> <p>Student satisfaction (as reported by the National Student Survey) remains high. All question categories were higher than the sector average. Participation in the survey was 86%, a small decline on last year.</p> <p>Governors noted that there had been no notifiable events to the OfS in the previous year and all of their requirements had been met. The college is working to ensure that it meets new conditions of registration including harassment and sexual misconduct.</p> <p>The HE ILR 2021-22 was subject to audit by the Office for Students. The OfS was only able to offer limited assurance over the reporting of higher education students. There is a separate and approved action plan in place to support the required improvements.</p> <p>Overall, HE performance has remained solid, although overall Continuation and Completion have declined this year. OfS published Student Outcomes all exceed threshold.</p>



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	<p>Governors noted the comprehensive report and assurance that it provided.</p> <p>It was RESOLVED to note the report and recommend it to the Board for approval.</p>
A24/094	<p>Agenda Item No 15: New Risk</p> <p>There were no new risks.</p> <p>Sue Slassor left the meeting.</p>
A24/095	<p>Agenda Item No. 16: Clerks Monitoring of Audit Recommendations</p> <p>The Clerk presented the Monitoring of Audit Recommendations report.</p> <p>It was RESOLVED to note the Clerks Monitoring of Audit Recommendations report.</p>
A24/096	<p>Agenda Item No. 17: Updates</p> <p>It was RESOLVED to note the Updates.</p> <p>The Internal and External Auditors left the meeting.</p>
A24/097	<p>Agenda Item No. 18: Any other business</p> <p>See Part II.</p>
A24/098	<p>Agenda Item No. 16: Date and time of next meeting</p> <p>Tuesday 4 March 2025</p>

The meeting ended at 17:20