



BURY COLLEGE FURTHER EDUCATION CORPORATION

MINUTES OF THE AUDIT COMMITTEE MEETING HELD VIA TEAMS ON TUESDAY, 5th MARCH 2024

Meeting Commenced: 1.00 p.m.
Meeting Closed: 1.31 p.m.

Present:

Liaqat Ali	Independent Corporation Member - Chair
Anne Holt	Business Support Staff Corporation Member
Phil Johnson	Independent Corporation Member
Stephanie Nixon	Independent Corporation Member
Danny Weidenbaum	Co-opted Committee Member

In Attendance:

Scott Gillon	Wylie and Bisset
Tracy Pullein	Vice Principal Finance and Corporate Resources
Peter Ryan	Clerk to the Corporation
William Simpson	RSM
Becky Tootell	Deputy Principal

AC23/24.14	<u>APOLOGIES FOR ABSENCE (AGENDA ITEM 1)</u>
	There were no apologies for absence.
AC23/24.15	<u>DECLARATIONS OF INTEREST (AGENDA ITEM 2)</u>
	RSM and Wylie and Bisset declared an Interest in item 13. There were no other declarations of interest in relation to any of the items on the Agenda for the meeting.
AC23/24.16	<u>STANDING ITEM – Meeting between Auditors and the Audit Committee (AGENDA ITEM 3)</u>
	The Audit Committee agreed that there was no reason to meet with the Auditors to the exclusion of College Management.
AC23/24.17	<u>MINUTES (AGENDA ITEM 4)</u>
	The Minutes of the Audit Committee meeting held on 28th November 2023 were approved and signed as a true and correct record.
AC23/24.18	<u>MATTERS ARISING (AGENDA ITEM 5)</u>
	The Clerk presented the Matters Arising Report and advised the Committee that all agreed actions had been implemented.
	It was Resolved that the contents of the report and management actions implemented should be noted.
AC23/24.19	<u>INTERNAL AUDITORS (AGENDA ITEM 6)</u>
	<i>a) Internal Audit - HR Recruitment Arrangements</i>
	William Simpson, RSM presented the report and confirmed that: <ul style="list-style-type: none"> • Taking account of the issues identified, the Corporation Board can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and effective; • However, RSM had identified issues that needed to be addressed in order to ensure that the control framework was effective in managing the identified area; and • 2 low and 1 medium priority management actions had been identified and agreed. <p>Following a question it was confirmed that Blue Octopus was the college HR recruitment system.</p>

	It was Resolved that the contents of the report should be noted.
	b) Internal Audit Progress Report 2023/24
	<p>William Simpson, RSM introduced the reports and confirmed that the Internal Audit Plan for 2023/24 had been agreed by the Corporation in July 2023. The assignments within the updated Plan, which was agreed by the Corporation on 12th December 2023, was inclusive of the changes to the internal audit plan 2023/24, whereby the days allocated to HR Recruitment and Payroll Framework had been reduced and reallocated to include a Data Protection Governance Framework review during 2023/24.</p> <p>Members were assured that the implementation of the Plan was on track for completion within agreed timescales.</p>
	It was Resolved that the contents of the report should be noted.
	c) RSM FE Benchmarking Report 2022/23
	<p>William Simpson, RSM presented the report and confirmed that the report provided a benchmark for RSM's individual clients, to self-assess themselves against all of their further education (FE) clients and in addition, included data on the annual opinions they had provided at year end.</p> <p>The benchmarking data provided in the report was based on all of the internal audit assurance reports and annual reports issued by RSM to their FE clients during the audit year 2022/23. This provided the Committee with a useful snapshot of the College's positive performance against others in the sector.</p> <p>Members noted that the College compared favourably to the client base in respect of assurance opinions and management actions.</p>
	It was Resolved that the contents of the reports should be noted.
AC23/24.20	<u>EXTERNAL AUDITORS (AGENDA ITEM 7)</u>
	<i>There were no reports scheduled from the External Auditors for this meeting.</i>
AC23/24.21	<u>OTHER AUDITS (AGENDA ITEM 8)</u>
	<i>There were no Other Audits Scheduled for this meeting.</i>
AC23/24.22	<u>DATA PROTECTION FRAMEWORK (AGENDA ITEM 9)</u>
	<p>The Vice Principal confirmed that annually the Resources Committee received a Data Protection (GDPR) Framework and Monitoring Report. The January 2024 report included extracts from the remote external assurance "Data Protection Health Check" undertaken by Naomi Korn Associates, the consultants appointed to provide data protection and information governance via a retained support contract.</p> <p>The Resources Committee resolved that the Audit Committee should review the external assurance Data Protection Health Check report and associated action plan to ensure that Governors were fulfilling their statutory duties. An action plan to address the recommendations made in the report had been agreed; to date good progress had been made with substantial improvement in the revised level of assurance, particularly those originally rated as "Not compliant".</p> <p>Following questions, it was confirmed that appendix B provided details of the original and current assurance levels and demonstrated that good progress had been made.</p>
	It was Resolved that the contents of the report should be noted.

AC23/24.23	REVIEW OF FINANCIAL REGULATIONS (AGENDA ITEM 10)
	<p>The Vice Principal confirmed that the College aimed to review the Financial Regulations every 2 years. The last review of the Financial Regulations was in November 2021. Governors agreed that, following the sector ONS reclassification to the public sector in November 2023, the scheduled review date (December 2023) could be delayed awaiting the updated Financial Handbook, due to be issued Spring 2024. Since November 2023 a series of “bitesize” updates had been issued providing relevant guidance on key reclassification requirements, all of which the College has adopted and assured full compliance.</p> <p>The Handbook had not yet been issued; there was an understanding that when issued it would not contain anything that had not already been issued as part of the “bitesize” updates. The Financial Regulations, had therefore, been updated on this basis. A further review may be required once the new Handbook has been published.</p> <p>A full review of the Regulations had been undertaken, including:</p> <ul style="list-style-type: none"> • There were some minor changes for clarification and job title amendment and highlighted; • Some new sections providing additional context, clarification and guidance have been added and highlighted; • New sections added directly relating to the ONS reclassification guidance and highlighted. <p>The appendices had also been reviewed:</p> <ul style="list-style-type: none"> • Tendering Procedure – this had been deleted and incorporated into the main body of the Regulations – the “paper based” tender process had been replaced by online methods and a full policy was no longer required; • Anti -Bribery Policy – minor amendments only for job titles and policy names; and • Gifts and Hospitality Procedure of the Anti-Bribery Policy – Increase to the threshold limits for disclosure and surrender. <p>A number of amendments had been agreed by the Resources Committee earlier in the day.</p> <p>Following discussion, the following points were highlighted:</p> <ul style="list-style-type: none"> • The Gifts and hospitality threshold had been increased from £25 to £50; • Given the cost of train fares it was suggested that the £250 threshold within 7.2.2 should be reviewed – this may require a change to the HR Travel and Subsistence Policy; • The paper based Tender process had been removed as an electronic process was now utilised; • In respect of section 5.10.9 it was agreed that reference to any specific Tender service should be removed.
	<p>It was Resolved that:</p> <ol style="list-style-type: none"> i. The contents of the report should be noted; and ii. Subject to the amendments highlighted by Members, the revised Financial Regulations are recommended to the Corporation for approval.
AC23/24.24	MONITORING REPORTS (AGENDA ITEM 11)
	a) Risk Management Register 2023/24
	<p>The Vice Principal confirmed that the College Risk Register and the High-Risk Action Plan was reviewed by the last Audit Committee on 28th November 2023. The High-Risk Action Plan had now been updated on actions in Term 2 up to February 2024 by risk owners. In addition, as requested at the last Audit Committee, the High-Risk register had been updated to include consequences/impact, using the definitions included in Appendix 2 and 3 of the approved Risk Management Policy.</p> <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • The Leadership Team had reviewed the updated High-Risk Register at their meeting on 14th February 2024; and • Members considered the consequences/impact information to be helpful.
	It was Resolved that the contents of the report should be noted.

	b) Accuracy of Funding and Data Returns
	The Vice Principal confirmed that all Returns for 2022/23 were completed timely and accurately and this had been maintained in 2023/24. The final ILR for 2022/23 was submitted on time and was extensively checked by the College to ensure maximum accuracy & funding. Additional audit review, undertaken by Wylie Bisset as part of the year-end financial statements audit, identified no issues. Additional checks continued to take place to ensure the data submitted to funding bodies was accurate, error free and complete.
	It was Resolved that the contents of the report should be noted.
	c) Fraud Log
	The Clerk confirmed that the College Fraud Log was presented to the Audit Committee, in accordance with Bury College Anti-Fraud and Irregularity Policy. The Fraud Log recorded the nature of suspected/actual fraud/irregularity, actions taken to prevent reoccurrence and lessons learned.
	It was Resolved that the contents of the report should be noted.
	d) Gifts/Hospitality/Overseas Travel
	The Vice Principal confirmed the following: Overseas Travel: <ul style="list-style-type: none"> • There had been no business trips abroad in 2023/24 year-to-date; • The College ran a small number of student trips abroad, the aim was that they were cost neutral from student contributions. The cost of the trip was covered for the accompanying staff. There had been 3 trips in 2023/24: <ul style="list-style-type: none"> • Geography field studies trip to Barcelona 21st to 23rd November 2023; • Travel & Tourism students residential in Barcelona 27th to 30th November 2023; and • Public services students residential in Berlin 15th to 18th January 2024. <p>Gifts & Hospitality - The Gifts & Hospitality procedure (an appendix to the Financial Regulations) was considered by the Audit Committee on 23rd November 2021 and re-approved by the Corporation at the 14th December 2021 meeting. The report provided a summary of items on the register to date.</p>
	It was Resolved that the contents of the report should be noted.
	e) Audit Recommendations Monitoring Report Update
	The Clerk introduced the report and asked Members to consider and note the Audit Recommendations: Implementation Tracking Report, as of March 2024.
	It was Resolved that the contents of the report should be noted.
AC23/24.25	<u>POST MEETING EVALUATION (AGENDA ITEM 12)</u>
	The Clerk presented a summary of the post meeting evaluation responses from the meeting held on 28 th November 2023 and it was noted that the overall feedback was positive with no concerns having been highlighted.
	It was Resolved that the contents of the report should be noted.
	<i>William Simpson and Scott Gillon declared an interest in the next item and withdrew from the meeting at 1.25 p.m.</i>
AC23/24.26	<u>TENDER FOR INTERNAL AUDIT SERVICES (AGENDA ITEM 13)</u>
	The Vice Principal confirmed that at the Audit Committee on the 28th November 2023, in order to secure best practice and value it was agreed that the IA service contract should be subject to re-tender. The actual timeframes differed slightly to that originally proposed, but key dates for

	<p>review and recommendation had been achieved to ensure recommendation by the Audit committee for Corporation approval and contract award dates were met.</p> <p>The original proposed scoring schedule had been revised in line with Tenet's updated Invitation to Tender, updated in line with best practice. Key evaluation criteria had not differed significantly; scoring and weightings had been updated to reflect a greater emphasis on quality and risk rather than price.</p> <p>The College had been supported by its Tenet Procurement Consultant. The report summarised the process/timeframes followed to ensure a recommendation to award the new contract was achieved to provide IA Services from the start of 2024/25. In addition, the Tender Evaluation report, prepared by Tenet, was attached and Members were requested to consider the recommendation as detailed at Appendix A.</p> <p>Members reviewed the evaluation of each Tender in respect of:</p> <ul style="list-style-type: none"> • Cost/Pricing • Managing and Resourcing the Service • Audit Methodology • Implementation Plan • Lean Audit • Quality Reviews • Risk
	<p>It was Resolved that:</p> <ol style="list-style-type: none"> i. The contents of the report should be noted; and ii. The recommendations detailed in Appendix A be recommended to the Corporation for approval.
AC23/24.27	<u>DATE AND TIME OF NEXT MEETING (AGENDA ITEM 14)</u>
	<ul style="list-style-type: none"> • 1.00pm Tuesday, 18th June 2024

There being no further discussion the meeting closed at 1.31 p.m.

Signed and approved as an accurate record of the meeting

Signature.....Date.....

Summary of Actions - Audit Committee 5 th March 2024			
Item	Action	Person Responsible	Timescale
AC23/24.23 Review of Financial Regulations	Subject to the amendments highlighted by Members, the revised Financial Regulations are recommended to the Corporation for approval.	VP	Corporation 19 th March 2024
AC23/24.26 Tender for Internal Audit Services	The recommendations detailed in Appendix A be recommended to the Corporation for approval.	VP	Corporation 19 th March 2024