



**CALDERDALE COLLEGE
AUDIT COMMITTEE MEETING**

Minutes of the Meeting held on 27 November 2023, held in the Board room, C Floor, Calderdale College and via MS Teams at 6.40pm.

Present:

Rachel Court	External Governor (Chair from AC/23/136)
Jenny Grainger	External Governor
Greg Scully	External Governor
Martyn Stone	External Governor (Vice Chair from AC/23/136)
Chris Reeve	Co-Opted Governor

In Attendance:

Andrew Harrison	Vice Principal – Corporate Resources
Jonathan Creed	ICCA
Richard Lewis	RSM (from item AC/23/120)
Jane Taylor-Holmes	Clerk

Agenda: There were no items of other business.

Min. No	Minutes	Action
1	AC/23/134 - Apologies for absence Apologies were received from Richie Dunk, External Governor.	
2	AC/23/135 – Confirmation of eligibility, quorum and declarations of interest No notice had been received of any member becoming ineligible to hold office. There were no declarations of interest in agenda items. The meeting was quorate.	
3	AC/23/136 – Appointment of Chair Resolved – Mrs R Court was appointed as Chair of the Committee for 2023/24.	
4	Resolved – Mr M Stone, was appointed as Vice Chair of the Committee for 2023/24.	

Min. No	Minutes	Action
	AC/23/137 – Minutes of previous meetings	
5	Mrs J Taylor-Holmes, Clerk to the Corporation explained that the Audit Committee meeting held on the 22 June 2023 was not quorate. It had been agreed that the meeting would be held inquorate and any items for approval and recommendation to the Board would be approved via email after the meeting.	
6	The items below were approved by Committee members by email and recommended to the July Board for approval and provided to the Board for information. There was discussion and suggested amendments to the Health and Safety Policy and the H&S Annual Report and Development Plan, those changes would be made in advance of the Board meeting, reference to the changes were provided in the draft Audit Committee minutes provided by email.	
7	Items recommended to the Board for approval; <ul style="list-style-type: none"> • Health and Safety Policy 2023/24 • Risk Appetite statement – within Risk Management Policy 	
8	Items provided to the Board for information; <ul style="list-style-type: none"> • Health and Safety Annual Report 2022/23 and Development Plan 2023/24 • RSM 'Emerging Issues' publication. 	
9	Resolved – Committee members confirmed the outcome following the email review of the matters presented to the July Board for approval / information.	
10	Committee members reviewed the minutes from the meeting held on 22 June and noted that items in red would be redacted from the published minutes as commercial in confidence.	
11	Resolved - The minutes of the meeting held on 22 June 2023 were approved as a true and accurate record.	
	AC/23/138 – Matters Arising	
12	Mr A Harrison, Vice Principal – Corporate Services commented that the administration of policies would be brought into the remit of the Executive support team. An update would be provided to a future meeting.	
13	All further matters arising from previous meetings were completed, for completion at a future meeting date or on the agenda for discussion.	

Min. No	Minutes	Action
	AC/23/139 – Accuracy of Funding Data Returns	
14	Mr Harrison provided the first funding data return report. The report provided a summary of information connected to the submission and accuracy of funding data returns to the ESFA.	
15	The aim of the report was to provide assurance in relation to the process of ILR returns and support the Regularity Self-Assessment report submission.	
16	In addition to the report, the Internal Audit mock funding audit, the External Audit funding income review as part of the Statutory Accounts and the ESFA Funding Review also provide assurance in this area.	
17	Committee members reviewed the report. Mr C Reeve, Co-opted Governor suggested that it would be useful to set out the criteria and performance indicators in relation to the data, such as the timeliness indicator. This was agreed.	Action: Mr Harrison November 2024
18	It was agreed that this would be an annual report and be presented to the Committee in November 2024.	Action: Committee November 2024
19	Mr M Stone, External Governor asked about assurance in relation to submissions in respect of capital claims. Mr Harrison confirmed that, for example, in relation to the capital transformation project, this is project managed with invoices being submitted monthly to the Department for Education team. Feedback on the project progress is provided to the Finance and Resources Committee.	
20	Mr Harrison also confirmed that there were controls in place in relation to expenditure limits and sign off with the Corporation Chair and the Chair of the Finance and Resources Committee. Expenditure signed off in this was reported to the Board as part of the Chairs Report.	
21	Resolved: Committee members received the Report.	
	AC/23/140 – Health and Safety update	
22	Mr Harrison provided the Health and Safety update.	
23	Committee members received the questions from Mr A Wright, External Governor and Health and Safety Link Governor and noted as follows;	

Min. No	Minutes	Action
24	In relation to the increase in the number of reported incidents; there had been an increase against the previous year. Mr Harrison confirmed that the College was not being complacent and continued to detail and learn from incidents. Mr Harrison commented that the increase may be due to improved reporting as all reporting was now being undertaken through the smartlog system. Mr Harrison also commented on the increase in students. There had been an increase of around 3% of students which reflected the increase in the number of incidents reported. It was noted that the College environment was definitely busier.	
25	In response to a request from Committee members, Mr Harrison agreed to look at the % of student incidents.	Action: Mr Harrison March 2024
26	Committee members commented on the narrative of the report and asked for more commentary around the data.	
27	Mr Harrison provided additional information in relation to the RIDDOR accident and confirmed that the outcome of the review had identified some improvement actions around tidiness within the kitchen area in the canteen.	
28	It was agreed that it would be useful to record that the recommendations identified had been actioned.	
29	In relation to near miss reporting and staff being aware of the requirement to report near misses, Mr Harrison explained that near miss reporting continued to be promoted to staff with little impact on the numbers of near miss incidents being reported. Mr Wright had suggested that some external support be sought to provide additional support in this area. Mr Harrison confirmed that this was being explored.	Action: Mr Harrison March 2024
30	Mr Harrison confirmed that the current Health and Safety Manager was due to retire in March which would provide an opportunity to review the area and the requirements.	
31	Mr Harrison commented on the additional visibility in relation to Health and Safety and SLT visits. Mr Harrison explained that this had been implemented as a result of a recommendation from Mr Wright and was being well received.	
32	Mr Harrison agreed to provide additional information in relation to fire drills and any learning from fire alarm activation.	

Min. No	Minutes	Action
33	Mr Harrison referred to a magazine article feature on the College on the successful 23 years of the RoSPA and sustainability.	Action: Mr Harrison March 2024
34	It was agreed that it would be helpful to link the report and summary to the risk score in this area.	
35	Mr G Scully, External Governor asked about the causes of accidents and student behaviour. Mr Harrison confirmed that there was some evidence of less mature student behaviour which was impacting on accidents.	
36	Mr Scully also asked about lock down practice. Mr Harrison confirmed that this had been practiced and would be linked into business continuity planning.	Action: Mr Harrison March 2024
37	In relation to the Evolve reporting, Mr Harrison agreed to review the reporting in this area.	
38	Resolved: Committee members noted the Health and Safety update.	
AC/23/141 – Audit Recommendations and Actions		
39	Mr Harrison provided an overview of progress towards the agreed actions arising from Internal and other Audit reports.	Action: Mr Harrison March 2024
40	Mr Harrison confirmed that there was only one outstanding action to implement. There were a number of external Audit recommendations included which would be removed at the end of the financial year on review.	
41	In response to a question, Mr J Creed, ICCA explained that the annual follow up review is utilised to confirm the outstanding actions have been completed satisfactorily. Following this review actions are removed from the recommendations schedule.	
42	It was agreed that the follow up schedule would be reviewed to ensure that this was a concise document which did not contain old actions and allowed Committee members to focus on the relevant actions.	
43	Resolved: The Committee noted the progress in relation to Audit recommendations.	

Min. No	Minutes	Action
	<p>AC/23/142 – Other Assurance Reports</p> <p>Article 125 desk-based verification by ESFA</p> <p>44 Committee members noted that there had been four reports on compliance from the ESFA in relation to desk-based verification had been undertaken, no issues had been identified and no further action was required.</p> <p>ESFA Sub-contracting standard – Lessons learned 2023</p> <p>45 Mr Harrison provided the ESFA Sub-Contracting Standard – Lessons Learned 2023 document and confirmed that the College had one sub-contractor; Project Challenge, the value of the arrangement was £212,000.</p> <p>46 Mr R Lewis, RSM asked whether there was any fraud risk that Committee members were aware of and Committee members confirmed that they were unaware of any fraud risk.</p> <p>47 Resolved: The Committee received the Article 125 reports.</p>	
	<p>AC/23/143 Internal Audit Reports</p> <p>48 Mr Creed provided the Internal Audit Reports.</p> <p>49 Mr Creed explained that there were two advisory reports provided; one in relation to the income diversification strategy and one in relation to the financial strategy.</p> <p>50 As advisory reports there was no assessment made in terms of assurance and the reports detailed key findings following the review.</p> <p>51 As a result of both of the audits, no additional areas of consideration were identified.</p> <p>52 Mr Creed provided the background to the inclusion of the two advisory reports and referred to the significant change in business model following the changes to European funding and the College response to the challenges and opportunities this presented.</p> <p>53 Mr Harrison confirmed that there had been significant work undertaken in the College in response to this, delivery had been reshaped and the financial position improved in this area.</p>	

Min. No	Minutes	Action
54	In response to some match funding requirements and processes, Mr Harrison confirmed that there were robust processes in place to ensure that more complicated requirements were adhered to.	
55	Committee members commented on the positive feedback received from the reports.	
56	Resolved: Committee members received the Internal Audit Reports.	
	AC/23/144 – Internal Audit Annual Report 2022/23	
57	Mr Creed presented the Internal Audit Annual Report 2022/23.	
58	Mr Creed explained that the report formed part of the Audit Committee Annual Report and that the Annual Report provided a summary of all matters considered by the Audit Committee throughout the year and 'Reasonable Assurance' had been provided. It was noted that this was the highest level of assurance available based on the work undertaken;	
59	<i>"Based on the work undertaken during the year and the implementation by management of previous internal audit recommendations, we can provide the Audit Committee and Corporation with 'Reasonable Assurance' that Calderdale College's governance, risk management and systems of internal control were operating adequately and effectively and that there were no instances where any breakdown of control resulted in a material discrepancy.</i>	
60	<i>In our opinion, the College has adequate and effective governance, risk management and systems of internal control in place to manage the achievement of its objectives and securing economy, efficiency and effectiveness."</i>	
61	It was noted that no significant control issues were identified in 2022/23.	
62	Section three of the report detailed a summary of the year and it was noted that the vast majority of recommendations were linked to the ESFA mock funding Audit review.	
63	Mr Creed confirmed that the Internal Audit annual report was not submitted to the ESFA but the content is referred to as part of the Audit Committee Annual Report (which is submitted with the Annual Financial Statements).	

Min. No	Minutes	Action
64	Resolved – Committee members received the Internal Audit Annual Report 2022/23	
65	AC/23/145 – Whistleblowing, Fraud and Irregularity Annual Report 2022/23 Mrs Taylor-Holmes presented the Annual Report 2022/23, this was to be recommended to the Board.	Action: Mrs Taylor-Holmes December 2023
66	It was agreed that the report be expanded to include commentary around mandatory training, staff awareness and policies and procedures.	
67	Resolved – Subject to the amendments referred to, Committee members approved the report and recommended it to the Corporation for approval.	
68	AC/23/146 – Whistleblowing Policy Mrs Taylor-Holmes presented the Whistleblowing Policy for consideration.	
69	Mrs Taylor-Holmes explained that the changes suggested were administrative and provided a more robust system for staff to report any concerns.	
70	In response to a question in relation to the approach to be taken should a complaint be received against the Head of Human Resources and Organisational Development; Mrs Taylor-Holmes referred to section 5.1.2 and confirmed that such a complaint would be referred to the Clerk of the Corporation.	
71	Resolved – Committee members recommended the Whistleblowing Policy to the Board for approval.	
72	AC/23/147 – Risk Management Risk Management Annual Report 2022/23 Mr Harrison presented the Risk Management Annual Report 2022/23.	Action: Mr Harrison December 2023
73	In relation to the key risks identified it was agreed that the impact and likelihood columns would be swapped as these were incorrectly headed in the report.	

Min. No	Minutes	Action
74	In response to a comment from Mr C Reeve, Co-opted Governor it was agreed that commentary would be added around the effectiveness of the management of risks during the year and the overall movement in risk scoring.	Action: Mr Harrison December 2023
75	Committee members commended the evolution and development of the risk register and the responsive approach being taken to apply the risk management framework. It was agreed that the Executive summary was very useful and that significant progress had been made in this area.	
76	Resolved – Subject to the amendment, Committee members approved the Annual Risk Management Report 2022/23. Risk Register	
77	Mr Harrison provided the full risk register and referred to the table of changes which had been made since the last Audit Committee review of the risk register.	
78	Committee members received the schedule of legislation and noted that there had been no issues identified as part of the review of compliance.	
79	Committee members considered the impact of the potential clawback and the DWP questions around eligibility of match funding. Mr Harrison confirmed that the risk would be reducing as discussions continued and that additional controls had been introduced.	
80	The major IT infrastructure project would be rescored due to progress in this area.	
81	In response to a question around the relationship between residual risk and risk appetite; Mr Harrison explained that if the College was averse to a particular risk there would be an expectation that there would be a low residual risk score.	
82	It was agreed that it was expected that there may be risks where the residual risk scoring remained higher than the risk appetite due to circumstances outside of the College control. It was agreed that it may be useful to consider a risk acceptance process should this be the case.	Action: Committee – future date
83	Mrs J Grainger, External Governor commented that the Curriculum, Quality and Standards Committee would review the appetite and residual risk for the risks relating to that Committee.	

Min. No	Minutes	Action
84	The Committee discussed risk C11 and the legislative list that had been provided. It was agreed that the next step in reviewing the legislation schedule would be to consider where assurances were obtained regarding compliance against each of the areas.	Action: Mr Harrison Future date
85	In relation to the Health and Safety risk it was agreed that additional commentary would be added around the role of the Lead Governor in this area.	Action: Mr Harrison March 2024
86	Resolved; Committee members noted the content of the Report.	
AC/23/148 – Post-16 Audit Code of Practice changes		
87	Mr Harrison confirmed that there had been a small number changes made in the April 2023 edition update to the Post-16 Audit Code of Practice. The changes were shared with the Committee.	
88	Audit Committee members noted the changes within the report.	
89	Mr Harrison confirmed that the Managing Public Money guidance had been referenced within the updated College Financial Regulations.	
90	Resolved; Committee members noted the main changes to the post 16 Audit Code of Practice (April 2023).	
AC/23/149 – Audit Committee Annual Report 2022/23		
91	Mrs Taylor-Holmes presented the Audit Committee Annual Report 2022/23.	
92	It was noted that the sections in yellow were subject to the outcome of discussions held at the meeting and would be updated as required.	
93	It was agreed that an additional paragraph would be added to section 5.4 of the Report reflecting the progress made and the improvements around risk management reporting.	Action: Mrs Taylor-Holmes December 2023
94	Resolved: Subject to the amendments, the Annual report was recommended to the Board in December 2023.	
95	Terms of Reference – Mrs Taylor-Holmes explained that there were no proposed changes to the Terms of Reference.	

Min. No	Minutes	Action
96	It was noted that there were no changes to the Audit Committee Terms of Reference needed as a result of the changes to the Post-16 Audit Code of Practice	
97	Resolved: Committee members approved the Terms of Reference and recommended the Terms of Reference to the Corporation.	
	AC/23/150 – Committee Self Evaluation	
98	Mrs Taylor-Holmes presented the Committee self- evaluation and referred Committee members to the assessment against the performance of the Committee during 2022/23. It was agreed that all aspects of the Terms of Reference had been discharged.	
99	It was noted that there had been one meeting that wasn't quorate within the period and that attendance had dropped in the period. Committee members noted the reasons why and that the changes in Committee membership would seek to address attendance issues going forward.	
100	It was agreed that the Committee would grade themselves as two 'Good' as a result of the issues around quoracy and attendance.	
101	It was agreed that future reviews would attempt to reference a measure of output and impact of the meetings rather than input and an assessment of compliance with the Terms of Reference.	Action: Mrs Taylor-Holmes November 2024
102	Resolved: Committee members approved the Committee Self-Evaluation and the Schedule of Business.	
	AC/23/151 Items to be reported to the Board	
103	Items to be recommended to the Board for approval; <ul style="list-style-type: none"> Whistleblowing, Policy 	
104	Items to be provided to the Board for information; <ul style="list-style-type: none"> Whistleblowing, Fraud and Irregularity Annual Report Audit Committee Annual Report 2022/23 Risk Management Annual Report 2022/23 	
105	It was agreed that the following would be reported to the Board for information, the Committee had;	

Min. No	Minutes	Action
	<ul style="list-style-type: none"> ➤ Had received the first report on the accuracy of funding data returns and agreed that this would be an annual report. ➤ Received the Health and Safety update ➤ Reviewed progress against Audit recommendations noting that this remained good with action being taken to address the one outstanding action. ➤ Received other assurance reports following an Article 125 ESFA audits and the RSM Sub-Contracting lessons learned document. ➤ Received two advisory Internal reports on income diversification strategy and financial strategy. As a result of both of the audits, no additional areas of consideration were identified. ➤ Received the Internal Audit Annual Report 2022/23. ➤ Received the Whistleblowing, Fraud and Irregularity Annual Report 2022/23. ➤ Reviewed the Risk Register ➤ Received an update on changes to the Post-16 Audit Code of Practice. ➤ The Committee had reviewed the Committee Self-Evaluation and confirmed that the Committee had discharged all responsibilities under the Terms of Reference and had approved the Audit Committee Schedule of Business. 	.
106	AC/23/152 – Dates of Future Meetings Audit Committee – 21 March 2024 at 17.00.	
107	AC/23/153 Meeting in the absence of Management Not required (undertaken as part of the Joint meeting).	

Signed as a true and accurate record

Rachel Court

21 March 2024

Chair

Date