



**MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 4 MARCH 2025 AT
10.00 AM, IN THE BOARD ROOM, THE ROUNDHOUSE, DCG**

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MINUTES OF THE PRIVATE AUDIT COMMITTEE MEETING HELD ON AT 10.00 AM, HYBRID -IN THE BOARD ROOM, THE ROUNDHOUSE, DCG AND ONLINE

Present: Andrew Dymond (Chair), Stuart Ellis (online), Rosslyn Green

In attendance: Jo Clifford (CFO), Heather Kelly (DCEO), Claire Love (FD), Cheryl Tacchi (DPO)
Gareth Jones (RSM – External Auditors)
Vici Cadwallader-Webb, Scott Winter (ICCA – Internal Auditors)
Rose Matthews (Clerk)

The meeting was preceded by the private session between the Audit Committee, Internal and External Auditors

PART ONE - GENERAL MINUTES

38/24-25 APOLOGIES FOR ABSENCE AND INTRODUCTIONS

There were no apologies for absence.

39/24-25 DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM

All members were eligible and the meeting was confirmed to be quorate.

Scott Winter was a Director of Skills College Ltd, a sub-contractor of the College.

Vici Cadwallader-Webb did liaise with the college on a number of commercial interests – but none currently.

40/24-25 FRAUD AND IRREGULARITY

There were no instances of fraud or irregularity to report to date for the year.

41/24-25 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 26 November 2024 were approved as a true and accurate record.

Gareth Jones had made minor revisions to the minutes which had been addressed by the Clerk.

RESOLVED: The minutes of the meeting held on 26 November 2024 were formally approved.

Action

Date

42/24-25 MATTERS ARISING

- 11/24-25 Strategic Risk Report - The Chair asked if there were any movement in the dates, could these be flagged with another box for slippage. This had been completed.
- 13/24-25 Audit Committee Self-Assessment - Members questioned the anti-fraud and corruption training for budget managers and asked if the Flicker training had been started. Staff should confirm they have read the Anti-Fraud and Corruption Policy and training for new managers had been scheduled for 7 May, which included a new package on finance.
- 26/24-25 The Internal Audit Annual Report had been revised by the Internal Auditors ahead of presenting to the Corporation.
- 27/24-25 The Gender Pay Report was approved by the Corporation.
- 30/24-25 The Audit Committee Annual Report was revised ahead of circulating to the Corporation to reflect the Mock Funding Audit had not gone ahead.

43/24-25 INTERNAL ASSURANCE: KEY FINANCIAL CONTROLS – PURCHASE LEDGER REPORT

Vici Cadwallader-Webb (VCW) of ICCA presented the Key Financial Controls – Purchase Ledger Report which had been carried out by Jonathan Creed.

The scope was to provide the Audit Committee with an independent assurance opinion that the College has effective and efficient controls governing the operation of its purchasing and creditor payments system.

The report provided a reasonable assurance opinion with two medium and one low recommendations.

Managers were expected to raise a purchase order for any buying and these should be signed off, they had identified three areas where this was not the case, franchising, temporary staffing and exams (although it was noted colleges tend not to use purchase orders for exams).

VCW said in terms of compliance the college did not have a procurement manager in place and there was a transitional arrangement between the Senior Finance Co-ordinator and the CFO with the CFO signing off the appointment. A detailed discussion took place with regards to some of the older quotations and their storage which had changed over time, this had resulted in the CFO searching for the historic files, they both had access to the same set of files.

Stuart Ellis said if the request was a current one, would the SFC be able to find it. The CFO said they would.

Stuart Ellis asked if procurement was being carried out as a sub-contract resource rather than inhouse. It was, but the manager wasn't performing the full procurement manager role with some elements being carried out in house.

The CFO explained based on the value of the request it determined where it went, by checking the quotes at the appropriate levels (in line with Financial Regulations). They were historic quotes so would have been checked at the time. There was a discussion between the CFO and VCW around segregation of duties and the appropriate approval process.

The Chair said it would be good to get a timeline in terms of the purchase orders raised and acknowledged that some of the older purchase orders could have been raised before people were in post.

SE asked if the corrective plan was now in place and operational. It was confirmed the Financial Regulations had been reviewed and internally approved by the SLT ready to be presented to the Finance and Resources Committee at their next meeting. There was an awareness raising exercise in relation to the approval thresholds and an action plan in place.

VCJ said if the SFC could not point to the evidence, or what checks had they carried out. They were relying on someone else to provide it. **Members asked if any recent orders were sampled.** VCW said there was a sample of over 20, three were capital and could be traced by to governor approvals, three were ongoing contracts that were the issue.

The Chair said he was less concerned about the exams purchase orders, but asked why purchase orders were not raised for the franchise and temporary staff. The franchise partners are approved by the Corporation and their profile and delivery agreed through a process that goes through finance, the partnership manager and then the CFO for payment. The CFO said the College had a contract in place and at the time of commencing the contract would not know how much they should claim for. DCG's issuing of a contract was more robust.

Temporary staff are processed through HR, request to recruits are signed off weekly by the SLT in terms of vacancies the College will fill. Cover teacher arrangements were more responsive. The manager for the area signed the timesheet.

VCW said in terms of purchase orders other providers raise purchase orders for the maximum amount of the contract and pull down against it. That prevents over performance as well as managing expectations. She said unless the College went into one of its bank of providers, it could

breach procurement thresholds without being aware of it. She said it was over a 12-month period rather than a contract.

The CFO said the College would generally use from its supplier framework, and they would ask for a blanket order if they were not on the College's list.

Rosslyn Green (RG) asked with the implementation of the new project plan, would that mean any of the new processes needed to be changed. The CFO said it was only when the procurement ran the larger value threshold. Internally a refresh of the financial regulations captures the terminology.

RESOLVED: The Committee accepted and discussed the Key Financial Controls – Purchase Ledger Report and the action being taken.

44/24-25 DATA PROTECTION REPORT

The DPO shared the Data Protection Report.

She presented an overview of activities to date which include an update on those who had completed the training following the Mock Cyber Phishing simulation in October 2024. One individual had compromised their account on multiple occasions and on this instance was followed up with their line manager. After going through in detail with the individual, the individual confirmed they did not require any additional support.

SE asked if any reason was identified why that individual might be a repeat offender. The individual did complete the training on every occasion and their manager ran through this with them, there was no specific reason identified.

The Chair gave an example of his organisation with regards to repeat offenders. Asking for help is seen as a strength, not a weakness.

The DPO advised the Committee of a significant breach which was reported to the ICO. The ICO did respond to say they were satisfied with the actions taken to mitigate the risk and suggested follow up with a policy for when devices are taken off site. The DPO confirmed following an internal review the Acceptable Use Policy had been revised to include guidelines on data protection and offsite use.

The Chair asked if they had breached a policy by taking off site. Whilst the College would be wary of taking data off site it was difficult with remote apprentices in terms of the paperwork. There was no further risk and students involved were notified. The laptop and paperwork had not been recovered.

SE suggested it might be beneficial to have a much stronger policy about printing documents in the first place rather than rules for managing off site. This was included in the guidance. It was a task set by the teacher and they had taken off site to mark it.

RESOLVED: The Committee accepted the Data Protection Report and were assured by the action taken.

29/24-25 STRATEGIC RISK REPORT AND CORPORATE RISK REGISTER

The CFO presented the latest Strategic Risk Report and Risk Register.

There were 24 risks under review and no change was reported in the current period, with the three high risks remaining the same following preventative controls. These were retention and recruitment of staff, key financial pressures and financial targets.

The committee were appraised of current litigation, health and safety RIDDOR reportable incidents, alongside any significant safeguarding incidents and PREVENT referrals. There were no reported instances of significant fraud to report.

The Chair said the last time he visited the College random stop and search was taking place. He asked if there had been any security incidents in the College.

Action had been taken in light of recent events in the media and the College were vigilant the Roundhouse was a city centre site. The team were undertaking reviews in terms of what other actions could be taken to mitigate any risks. The Deputy CEO explained a completely refreshed approach was being taken with regards to security, each site is different and will each have its own dedicated risk register.

The Chair asked if DCG spoke with other colleges to compare approaches. The Deputy CEO explained the College did talk to other colleges about systems in place and have regular dialogue in place about on site access arrangements. There had been no red flags with the recent stop and search. Where there had been incidents these had been reported by students.

The Chair said it would be good to see the output of the reports when completed.

Rosslyn Green reflected on the summary of key mitigations and asked if there was a routine of reforecasting of costs periodically. It was confirmed these were done twice a year, line by line with the overall

position reviewed every month and if adrift targeted separately.

RESOLVED: The Committee accepted the Risk Register Report.

45/24-25 INTERNAL AND EXTERNAL RECOMMENDATIONS MONITORING REPORT

The CFO presented the Internal and External Recommendations Monitoring Report which monitored key recommendations from prior audits.

The recommendations from audits presented at this meeting would be added to the tracker.

There were 39 recommendations to date, of which 20 were completed, two were in progress, six overdue and nine not yet due. The four overdue were arising from funding matters. These will need to be actioned prior to the next audit review.

SE said looking at the actions not yet due, the College only had until June to complete them. He asked if confirmation could be provided there was a plan to deliver these in terms of the commitment for June.

The CFO said most of these were funding related and the team met regularly to review these. The funding ones will be signed off when the next funding review takes place.

The CFO confirmed that OFS review had to be reopened as she had reported at the last meeting it was complete, but it wasn't. In terms of the ones raised by Internal Audit today these will be completed by June with the Financial Regulations being presented at the next FRC in March.

Rosslyn Green asked if the External Audit Compliance Plan and the Audit Findings Report were from the same year or not. It was confirmed that all except two had been superseded.

RESOLVED: The Committee accepted the Internal and External Recommendations Monitoring Report.

The meeting concluded at 11.25 am.