

# East Coast College

## Audit Committee Meeting 9am 6<sup>th</sup> May 2025 Teams

<b>Present:</b>	Giles Kerkham (GK) Mike Dowdall (MD) and Teresa Sharman (TS) and Associate Audit Committee Governors Andrew Dowsett and Ofure Obomighie	
<b>In attendance:</b>	Wendy Stanger (Director of Governance) Urmila Rasan (Deputy Chief Executive) Lucy Wharry (Head of Finance) John Perry (Audit Partner Scrutton Bland External Audit) Edward Blackman (RSM Principal Consultant Internal Audit)	
<b>A/25/05/1</b>	<b>Membership and Apologies</b>	<b>Action</b>
No apologies as all in attendance. The Audit Committee Chair welcomed the new partner for External Audit, John Perry and the new manager for Internal Audit Edward Blackman.		
<b>A/25/05/2</b>	<b>Declarations of Interest</b>	
There were no new declarations of interest.		
	<b>Confidential Private Session with the Internal and External Auditors</b>	
It was agreed that a confidential private session was not required.		
<b>A/25/05/3</b>	<b>To approve the Minutes of the meeting of the Audit meeting held on 10<sup>th</sup> December 2024 and any other matters raised previously not otherwise included in the Agenda</b>	
The minutes of the meeting of 10 <sup>th</sup> December 2024 were agreed as a true record. The Deputy Chief Executive advised that the Cyber Response Plan would be brought to the July Committee.		
<b>A/25/05/4</b>	<b>To review the post meeting action log</b>	
The action log was reviewed, and it was noted where actions had been completed. The Deputy Chief Executive advised that subcontractors would be asked to provide a copy of their Cyber Security policy. However, the College did not have the skills to assess the effectiveness of these policies. It was noted that the College's four subcontractors are small, local organisations, collectively delivering education to 222 of the College's 16–18-year-old learners, and that the same four organisations were the only bidders during the annual tendering process. The Cyber risk was human and reputational as well as process. Governors discussed the cyber risk from subcontractors and agreed that a review of their cyber policy provided some assurance.		

A/25/05/5	<b>Audit Action Plan Review</b>	
<p>The audit action plan review and progress were noted. The Deputy Chief Executive advised that the majority of actions were complete, with the only delay being with electronic payments due to complications with the payment provider.</p>		
A/25/05/6	<b>Internal Audit Reports</b>	
A/25/05/6.1	<b>Progress Report with Risk and Benchmarking Briefings</b>	
<p>Internal Audit presented the progress report and referred to the briefings. The scope has been agreed for the Systems and Data audit. This will be an advisory audit and will replace the Procurement audit that had been included within the original Internal Audit Plan 2024/25 and the audit is due to commence shortly.</p>		
A/25/05/6.2	<b>Learner Journey</b>	
<p>Internal Audit presented the audit, which was an advisory one, so no opinion was given. It included 31 suggested actions. These were designed to improve process efficiency, learner experience, timely outcome, and process documentation, and it was for the College to prioritise the actions.</p> <p>The Deputy Chief Executive advised that, subsequent to the Audit, the College had agreed to implement online enrolment with a target date of October 2025, and this would address some of the actions. Governors agreed that a report from the College on progress against the actions should be reviewed at the Autumn term meeting.</p> <p><b>Governors agreed the following actions:</b></p> <ul style="list-style-type: none"> <li>• <b>Learner Journey actions to be added to the Audit Action Plan log.</b></li> <li>• <b>Report to the Autumn Term Audit Committee regarding progress with implementing the Learner Journey Audit actions and reasons for any not completed.</b></li> </ul>		
A/25/05/6.3	<b>Payroll</b>	
<p>Internal Audit presented the audit. This had been assessed as reasonable assurance with 4 low and 1 medium action.</p> <p>The Deputy Chief Executive advised that the actions had been agreed and were being implemented.</p>		
A/25/05/6.4	<b>Follow-up</b>	
<p>Internal Audit presented the follow up audit and advised that good progress had been made with 10/11 actions completed. The one action still be completed was the electronic payments one which had been delayed due to complications with the payment provider.</p>		

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<b>A/25/05/7</b>	<b>External Audit – Meet the new partner</b>	
John Perry, the new External Audit Partner, introduced himself to the Committee and advised that the Audit Plan would be brought to the July Committee.		
<b>A/25/05/8</b>	<b>ESFA Audit December 2024 16 to 19 Financial support Final Report</b>	
The finalised version of the ESFA Audit, December 2024 16 to 19 Financial support Final Report was noted.		
<b>A/25/05/9</b>	<b>Framework and guide for external auditors and reporting accountants of colleges, Accounts Direction, Regularity Audit Questionnaire 2024/25</b>	
<b>A/25/05/9.1</b>	<b>Framework and guide for external auditors and reporting accountants of colleges</b>	
<b>A/25/05/9.2</b>	<b>Accounts Direction</b>	
<b>A/25/05/9.3</b>	<b>Regularity Audit Questionnaire</b>	
<p>The Director of Governance presented the report and advised on the changes. This was the inaugural edition of the Framework and Guide for external auditors and reporting accountants of colleges and replaces the Post-16 Audit Code of Practice. Other aspects of the Post-16 Audit Code of Practice would be covered in a revised College financial handbook, which was due to be published shortly.</p> <p>Governors queried that the fraud limit for notification had been reduced to £5,000 and that this was a low level given the size of the business. The Director of Governance advised that this had been raised at the sector reference group, consulted on the changes to the College financial handbook, and DFE is keen to be notified of fraud so that it can be seen if there is a pattern and lessons could be learnt.</p>		
<b>A/25/05/10</b>	<b>To review the Risk Register</b>	
<b>A/25/05/10.1</b>	<b>Strategic Risk Register</b>	
<b>A/25/05/10.2</b>	<b>Tactical - Finance and General Purposes</b>	
<b>A/25/05/10.3</b>	<b>Tactical – Quality and Curriculum</b>	
<b>A/25/05/10.4</b>	<b>Tactical - People</b>	
<b>A/25/05/10.5</b>	<b>Tactical - Governance Remuneration &amp; Search</b>	
<p>The Director of Governance advised that the risk register reviews were before the Board's risk register breakout session. The Committee commented that it would be interesting to see the revised registers and was assured that work was ongoing to keep them reviewed.</p> <p>The Committee reviewed the risk registers, including the date of review and the reviews carried out by the Committees. It was noted that the Estates Committee was meeting on the 7<sup>th</sup> May, which would include a review of their risk register.</p>		

<p>It was noted that there was a risk of political turbulence both locally and nationally and this could cause some of the College's risks to increase.</p> <p>The Finance and General Purposes Risk Register was reviewed, and governors highlighted the number of red risks. The Deputy Chief Executive advised that this was due to the College not recruiting to plan and was being mitigated by the Financial Recovery Plan. This would also affect the money that the College had to invest, which, coupled with the lack of capital projects funding, could increase the risk of poor quality infrastructure. The Committee noted that the Quality and Curriculum Risk Register had also reflected the failure to recruit to plan.</p> <p>Governors queried if the risk of the additional costs of The Place not being met was covered in the risk register. The Deputy Chief Executive advised that the curriculum planning side was covered in the Quality and Curriculum Risk Register, and the finances in the Finance and General Purposes one.</p>		
<b>A/25/05/11</b>	<b>Fraud Register</b>	
<p>The nil return for the fraud register was noted. The Committee discussed the register, how near misses were recorded and that it should cover all fraud and not just financial.</p> <p>The Director of Governance advised that each risk register included a fraud risk and the policy states:</p> <p><i>1.11 Register of Actual/Attempted Fraud Incidents. The Deputy Chief Executive will maintain an up to date register of actual and attempted fraud incidents. Attempted fraud will only be recorded when it is deemed by there has been an attempt to defraud rather than an individual mistake. As part of the notification procedure the Deputy Chief Executive will update the register to include all notifications of potential fraud. If subsequently an investigation leads to the conclusion that fraud neither took place nor was attempted, the entry will be removed from the register.</i></p> <p>The Auditors advised that they had not seen any material frauds with their educational clients.</p> <p><b>Governors agreed the following actions:</b></p> <ul style="list-style-type: none"> <li><b>Fraud register report to cover the full academic year.</b></li> <li><b>Senior Team to be reminded of the Fraud Register and that it relates to all fraud and not just financial.</b></li> </ul>		<p><b>UR</b> <b>WS</b></p>
<b>A/25/05/12</b>	<b>Assurance Mapping as at March 2025</b>	
<p>The Director of Governance advised that the Assurance Mapping had been updated for the assurance received since the last review.</p>		
<b>A/25/05/13</b>	<b>Agenda Planning</b>	
<p>July – Audit Plan, Policy Updates and Cyber Business Continuity Plan</p> <p>Autumn – Learner Journey follow up review of actions</p>		
<b>A/25/05/14</b>	<b>Review of Meeting</b>	
<p>1. Confidential Items: Audit Report details.</p>		

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| <ol style="list-style-type: none"><li>2. Risk Management:</li><li>3. Health and Safety: None</li><li>4. Equality and Diversity: None</li><li>5. Media: None</li><li>6. How did the meeting go: An efficient meeting.</li></ol> |  |
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