

SANDWELL COLLEGE

**Minutes of the Audit Committee meeting held on
Tuesday 11 March 2025, 10.00am**

Present: T Sharma Independent Governor (Chair)
M Ashford Independent Governor

In attendance: L Capper Principal & CEO
R Pickup Exec Director, Finance and Resources
I Oldacre Director, Capital & Estates
S McKay MHA
F Chalk Interim Governance Advisor
L Tweedie RSM

Apologies: None

		Action
26	<u>Apologies</u>	
	The Chair welcomed all present to the meeting. There were no apologies.	
27	<u>Declarations of Interest</u>	
	There were no declarations of interest.	
28	<u>Minutes of previous meeting held on 19th November 2024</u>	
	RESOLVED THAT: Governors approved the minutes of the previous meeting, including the confidential minutes held on 19 th November 2024.	
29	<u>Matters Arising</u>	
29.1	<p>Environmental Interest Group This is in place currently and will be replaced in the new academic year with a Sustainability (Executive) Board. John Tew (Chair) is attending this interest group at present. A Link governor will join the Sustainability Executive Board when it is set up. This item will sit with F&S committee going forward.</p> <p>Internal Audit Action Tracker. 70% from the last meeting are completed. A process will be agreed with LT on the signing off actions IA Tracker to be received the Audit Committee as an agenda item (after the IA item) for the Committee to scrutinise and be assured of progress.</p> <p>H&S officer being invited to the meeting. The post is currently being appointed to.</p>	RP/LT/FC
30	<p><u>Internal Audit Reports 2023/24</u> <u>Presented by the Internal Audit Service (IAS)</u> <i>Human Resources Processes: Staff Mental Health and Wellbeing</i> The committee noted the areas that have been considered and tested as part of the Audit. Substantial assurance has been given. 2 Low priority management actions are required:</p> <ol style="list-style-type: none"> 1. Board/committee minutes to comprehensively note when policies have been approved. 2. Long-term mental health absence: consideration of a process around waiver of the Policy, where appropriate. The recommendation that legal advice could be considered to ensure any deviation from a policy is sound. There is an element of risk when any waiver is applied. 	Clerk

	Governors asked whether there is a clear procedure for where policies are approved within the organisation? There is a policy tracker that will be reviewed in line with Committee Terms of Reference and the Scheme of Delegation. This is part of the work of the External Governance Review.	RP / FC
30.1	Progress Report	
30.1.1	<p>The Committee noted the following audit plan progress:</p> <ul style="list-style-type: none"> • Learner number systems – in progress • Student support service arrangements – commencing 17th March • Data protection - upcoming <p>The follow up visit is scheduled from 28th April</p> <p>Governors asked for an update on the current Learner number systems audit. It is a compliance audit, like an external funding audit. There are a few matters currently being ironed out, which is the normal expectation. It is too early to give a full report.</p> <p>The Internal Auditor drew the committee's attention to RSM's AI information update and the BAF toolkit.</p> <p>The Chair asked the committee and SLT if there are any other areas that the Internal Audit should be invited to look at in-year.</p> <p>LC stated sub-contracting would be an area of consideration for IA. This will be followed by an EA, as part of the funding requirements. No sub-contracting had previously been reported as having taken place.</p> <p>RP advised that a new finance system is being implemented from May. After year-end, an audit on implementation of it and its operation, would be helpful to give assurance on the system processes. It was noted the EA do audit on transfer of balances anyway, and therefore it may make sense for EA to carry out this work. The EA advised this will be looked at as part of the key financial controls - both before and after the transfer and the transfer itself, looking at the integrity of the audit trail. This work will take place over the summer. This will be from a high-level, and a more detailed look could be undertaken by the IA in the next academic year. The likelihood would be low but the impact could be high. RP advised that the old system is onsite and could be restarted in an emergency, so there are mitigations in place.</p> <p>Governors asked if the change in finance system is on the Risk Register? It is on the operational risk register for this project. The risks are mostly low rated, and any medium risks are because of impact rather than likelihood.</p>	<p>RP</p> <p>RP</p> <p>RP</p>
	<p>FE College benchmarking of internal audit findings report was presented. Safeguarding, financial management, and estates, were noted as the highest priority management actions across the sector. This was followed by business continuity, procurement, and governance & risk.</p> <p>The college is operating above sector in the benchmarking on assurance areas and management actions.</p> <p>RP advised that the college has covered all the key thematic areas in the benchmarking report, over the past few years.</p> <p>The committee agreed this report was useful for it when drawing up the IA Plan for next year.</p>	
	RESOLVED THAT: Governors were assured that the actions proposed and taken, provide sufficient internal control, and that the college is performing positively on benchmarked areas.	
31	<u>Risk Register</u>	

31.1	<p>Governors scrutinised the Risk Register and noted the actions, the updates listed in the report.</p> <p>RP advised that risks are around recruitment on track. Governors asked what does 'on track' mean? 7245 was the original target for student recruitment and 7422 for growth target. Currently, the college is ahead of the growth target. It was noted that the DfE are only going to fund two-thirds of growth currently, and the financial implications of this will be picked up at F&S committee.</p> <p>On the risks around funding, governors asked if there is enough submission of bids taking place to secure future funds? The college is prepared for this but currently there are few bids available as DfE is considering sector funding. The funding for the next year for 16-18 is looking positive. For capital projects, there are proposals being submitted to local authority on a variety of opportunities, and such an award has been received in the sum of £300,000.</p> <p>On the risks around T – Level reforms, governors asked what the current position is? A 3-year plan has been drawn up and the college is moving from 10 to 13 T Levels this year, and the replacement of BTecs is being developed through T Level provision. The large number of hours (315hrs) of placement with employers is being managed as part of the transition. The defunding of BTecs has been diluted, with a pause currently on some, and others now remaining. This does raise issues of planning for gaps and succession for students on courses such as digital and Health & Social Care. The college is focusing on progressing students and attracting new students. LQCC will be discussing this at their meeting this week.</p> <p>The committee noted that a refreshed risk register will come to the June meeting, with a Board Assurance Framework which has an operational register that sits beneath it. There will be some work for the Board to contribute to on setting risk appetite at the start of next year when the new Chair is in place, there will be new governors, and there will be a new strategic plan.</p> <p>Governors recommended the IAs to be involved in support of the new Board Assurance Framework.</p>	Internal Auditor
	RESOLVED THAT: Governors were assured that the Risk Register suitably recorded the relevant risks and mitigations.	
32	Annual Insurance Report	
32.1	<p>Governors scrutinised the Annual Insurance Report. It was noted that the College's primary insurance provider is UMAL, additional cover for Cyber Security is held with NMU, and these policies are unchanged from the previous year.</p> <p>UMAL will visit for 2 days to sense check the provisions and cover.</p> <p>Governors asked:</p> <ul style="list-style-type: none"> • How often are property evaluations undertaken? £400m is the limit indexed by UMAL based on the data. • Does the college have finance crime insurance? Yes, both staff and contractors are covered. Does this include Accounts Payable fraud? • How does the college calculate the level of Cyber fraud? The college has worked with Jisc and the IT lead and taken on the recommended standard cover for the size of college within the sector. 	RP

	Governors congratulated the IT department for having sufficient processes in place to obtain cyber insurance, as it is becoming harder to obtain.	
	RESOLVED THAT: Governors were assured that the insurance policies held to safeguard College assets, are appropriate & sufficient.	
33	<u>Health & Safety update</u>	
33.1	<p>Governors scrutinised the Health & Safety trends, actions taken, and areas requiring improvement.</p> <p>The college has a H&S Board internally that meets 4 times a year, and a revised H&S policy has been prepared. A new Fire Safety Officer is being recruited, and this will support training and audits across the colleges.</p> <p>Governors noted that there are no major accidents being reported and accident data has shown improvements on last year. Mandatory training compliance level is improving and as of 3rd March stood at 95.2% overall, with safeguarding and prevent standing at 97.8%.</p> <p>Risk assessments for equipment around the campuses have been updated following an internal audit of such. There are some minor issues and no critical issues.</p> <p>Governors asked:</p> <ul style="list-style-type: none"> • What are the changes required internally? Some H&S works are being undertaken over the summer. • How does the work of the H&S officer get reported to senior leaders? These are recorded internally and the actions taken are recorded. The risk assessments are robust and are then referenced at the Health & Safety Board and also escalated to the Deputy Principal. This process and reporting lines are laid out in the H&S policy. <p>Committee commended the detail in the report and the level of achievement of staff training that has been undertaken.</p>	
	RESOLVED THAT: Governors were assured that systems are robust and that actions taken ensure continuous enhancement of health and safety standards within the college.	
34	<u>Policies & Procedures</u>	
34.1	<p>Health, Safety, & Welfare Policy</p> <p>The substantive changes are the changes to roles and structure throughout the organisation. The delegations have been made clear. The document itself has had little change made.</p> <p>Governors asked whether it is felt that students feature sufficiently in the Policy. Yes, they do feature along with other stakeholders such as contractors.</p> <p>Governors suggested the policy statement at the start could include the accountability of the Board.</p> <p>There will be a link governor for H&S going forward, so this could be added under 2.1 of the policy.</p>	IO
	RESOLVED THAT: Governors were assured that the Health, Safety & Welfare Policy is fit for purpose and agreed to recommend its approval to the Board in March, subject to the minor amends approve.	FC
35	<u>Any Other Business</u> None.	
35.1	Governors thanked both sets of auditors.	

	Auditors left the meeting	
	<u>**CONFIDENTIAL SESSION**</u>	
36	<u>See confidential minute</u>	
37	<u>Date and Time of Next Meeting</u> 17 th June 2025 10am	

The meeting ended at 11.56