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| **Present:**  N Hainsworth (NH) - Chair  P Webley (Co-option) (PW) *- via googlemeet*  K Robinson (KR)  **In Attendance:**  D Carter (DC) - Clerk  L Swift (LS) - Vice Principal Finance and Planning  R Bott (RB) - Mazars *- via googlemeet*  M Speight (MS) -Mazars*- via googlemeet*  A McCulloch (AM) - TIAA*- via googlemeet* | **Apologies**:  M Hussain (MH) |
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|  | Meeting starter at: | **Action** |
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| 1 | **Welcome, Apologies for absence, Disclosure of financial and/or personal interest**  NH welcomed everyone to the meeting. The meeting was previously agreed to be hybrid. Apologies were received from MH. There were no declarations of interest. |  |
| 2 | **To agree agenda and order of business as circulated**  The agenda and order of business was agreed. |  |
| 3 | **To approve the minutes of the meeting held on 28 February 2023**  The minutes were approved as a true and accurate record of the meeting. |  |
| 4 | **Matters arising:** *a) LS will check about cover for financial redress on data breaches and feedback as feels it may be a part of the insurance*  College is covered for data breaches of up to £500K.  *b) LS will speak to ID regarding software to stop a sent email centrally as not sure if this has been discussed.*  All staff have received instructions on how to extend the recall time of emails to 30 seconds. |  |
| 5 | **To receive an update on the Risk Register**  A member asked if the accountancy tutor had been recruited, LS confirmed this is true but not full time. The T Level in accountancy contains more specifics so we still need a tutor qualified in these. College does have a Level 2 lecturer for rail now but due to competing salaries not a Level 3 lecturer.  LS explained the pay increase noted in the Risk Register has changed following discussions in F&R committee.  Members receive the update. |  |
| 6 | **To consider the External Audit Planning Memorandum**  **And agree the signing of:**  **Engagement Letter - Regularity**  **Engagement Letter - External Audit**  The Chair offered congratulations to MS on his promotion to Director and stated it would be useful to hear the difference this would mean in terms of provision to the college. RB states MS will be signing the audit report now and in terms of risks, MS will be doing this.  Regarding the sector in general RB reported there are a lot of changes following the ONS Reclassification of Colleges plus changes in auditing processes. The March 22 triennial evaluation is showing some Local Government pension schemes in surplus which raises issues of the treatment of such a surplus in the accounts. We await the 31 July valuation to see if the College is in that position.  A member asked what impact this may have on College contributions, RB explained pension holidays have been suggested by some schemes but this had a long term negative impact in the past so should be considered with caution. LS reported the college received their valuation of contributions for the next three years, and it has gone up 0.2% a year so currently this is not a situation we need to consider.  There was a discussion around possible changes in the year end used by FE colleges and consideration of a 31 March year end. This was one element in a reclassification questionnaire the College needs to complete and submit by 17/7/23. There is a lot of resistance from colleges however the Treasury is pushing for a March year end. It would mean the end of the financial year is half way through the academic year.  MS presented the strategy memorandum, and explained it is similar to those seen in recent years and went through the areas of risk which are standard to most colleges. The new one included is in relation to the College’s high value capital projects, in accounting terms it can be relatively complex to agree the correct accounting treatment so is included as a general point in the planned and will be looked at in more detail during the audit. In terms of additional work needed in following college reclassification members will see little difference; the difference will be in their approach to the fieldwork.  A question was asked in reference to the Dear Accounting Officer letter, LS has shared this with members for information, it announced the reclassification and mainly focused on loans. It doesn't put any immediate responsibility on the audit committee. The MPM document included more requirements, and this was followed by the Government bite size guides.  LS used the bite size guides to update the financial regulations and have flagged them up. Had to complete a MPM return in March, which was a nil return.  The Engagement letters were noted and members approved the signing of these. |  |
| 7 | **To consider the latest ESFA College Financial Review and Dashboard**  Governors have access to the live dashboard and LS brings the information to meetings. There are no substantial changes but this now reflects the financial record.  Members note the letter and outcome. |  |
| 8 | **To consider a WYCC update Report**  LS gave members an update on the West Yorkshire Consortium of Colleges.  A discussion took place on the debt and payments received so far. |  |
| **9i** | **To Consider:**   1. **To note the changes to the Post-16 Audit Code of practice published April 2023** 2. **Receive a copy of the College MPM return** 3. **a review of the Terms of Reference**   The letter sets out the main areas of Managing Public Money (MPM) stating there would be changes and the bitesize guides followed. The self regulatory questionnaire is completed before the audit starts.  Members note the changes  *RB and MS left the meeting at 6.03pm* |  |
| 9ii | **To receive an update on progress of the Assurance Plan**   1. **Covering paper** 2. **TIAA Report** 3. **Apprentice Funding Audit Action Plan**   LS explained the Assurance Plan, which takes place each year, consists of work with TIAA and work internally.  The College carried out a small sample audit of apprenticeship which showed progress on the previous year. Recently received notification of an ESFA funding audit to be carried out by PwC. We are awaiting confirmation of dates for the audit but likely to be August / September. The audit will review 16-18 funding, out of area AEB, apprenticeships and loans.  For TIAA’s part we were unable to complete the cyber security work as planned due to illness of the specialist, hoping this can be completed the last week of September so with permission of members can this be delayed and reported back in Autumn.  **Members approve the Autumn report.**  AM reported on the Budgetary Control, arrangements were found appropriate and included in the financial regulations and annexes. Robust arrangements were in place for budget setting and were informed by the three year forecast. The work by the financial management group provides robust internal audit. AM stated documentation was in place and readily available. One recommendation was made to ensure all additional guides are documented in handover to the new VPFP so the process is well known. There is substantial assurance.  The Chair praised the quality of LS work.  A question was asked about the report and plan for going forward, LS stated the full report will be available for the December meeting including the cyber security information and this will have the plan in for next Spring. The plan will be revisited by LS and AM in early autumn, and the outcome of the funding audit may direct this.  Members discussed key financial controls and checking these the year after new VPFP appointment to ensure they are still in place following the change in the team.  *AM left the meeting at 6.14pm* |  |
| 10i | **To receive the annual report on any instances of fraud**  None noted. |  |
| 10ii | **To receive an update of the Fraud Indicators Checklist**  Members receive the update. |  |
| 10iii | **To note and consider Annex D Anti-Fraud Checklist for Post-16 Providers from the Post 16 Audit Code of Practice**  LS explained there are ten questions and no changes to those answers. Members considered the responses. |  |
| 11 | **Changes to the Financial Regulations & Annexes**  A question was asked around paragraph 5 of the Financial Regulations and becoming a lender by accepting payment in instalments, LS explained as long as the instalments do not go over 12 months the college does not need a credit licence.  A discussion took place around the learner support fund and reviewing the guidance so some students on instalments may be able to access this support, as well as the possibility of moving from standing order to direct debit payments took place.  LS reported the bite size guides the government released following the ONS reclassification have been used to make the majority of changes.  **Members approve the changes.** |  |
| 12 | **Internal audit of Governance 22/23**  Members felt the Accountability Statement is an excellent document and shows off the college well. It was agreed the next steps would be reviewing the document and the work the college is doing to ensure the actions are met. |  |
| 13 | **To consider and recommend to the Corporation:**   1. Supply Chain Fees and Subcontracting Policy 2. Data Protection Policy & Retention Schedule - note Annex 1 will be reviewed in line with funding agreements and current practice over the summer. 3. the Whistleblowing Policy and Procedure   **Members agree the policies and recommend to the Corporation for approval.** |  |
| 14 | **Any Other Business**   1. Copy for Dear Accounting Officer letter 29/11/22 for Reference   Noted |  |
| 15 | **Date of meetings to December 2023**   * Tuesday 5 Dec 2023 (To be confirmed at the July Corporation) |  |

Meeting closed 6.24pm

**Decision and Action Tracker**

| Date /Item | **Decision**/*Action* | Person responsible |
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| 110723 item 3 | **The minutes were approved as a true and accurate record of the meeting.** |  |
| 110723 item 6 | **The Engagement letters were noted and members approved the signing of these.** |  |
| 110723 item 9ii | **Members approved the Autumn timeline for the Assurance Plan.** |  |
| 110723 item 11 | **Members approved the changes to the financial regulations and annexes.** |  |
| 110723 item 13 | **Members agreed the policies and recommended to the Corporation for approval.** |  |