

HARTLEPOOL COLLEGE OF FURTHER EDUCATION

Minutes of the Audit Committee meeting held on Wednesday 20th November 2023 at 5.30pm in Conference Room 5.

Present: Ms J Bryson [via Teams]
Mrs M Roberts
Mrs S Flender-Bradley

Also Present: Mr S Pringle (WB) [via Teams]
Mrs L Robson (RSM) [via Teams]
Mrs K Dales [Head of Governance]
Mr D Hankey [Principal]
Mr D Williams [Vice Principal]
Mr G Riches [Principal]
Ms E Rodgers [Head of Finance]

1	Meeting with external advisers only Not required.
2	Apologies for absence Apologies for absence received from Ms J Robinson and Mr L Cranston.
3	Declarations of interest relevant to the business of the meeting There were no new declarations of interest.
4	Minutes of the previous meeting 19th July 2024 The minutes were approved as a true record.
5	Matters Arising and Actions Both actions are incomplete and will go to the next meeting.
6	To consider the external audit findings for the year ended 31 July 2024 LR presented the report and told the committee that it is still in draft form and the final version will go to the Board. She said that the matters outstanding on page 3 have now been resolved and that the only outstanding issue is that RSM need complete their work on Tuition Fee income. She said that she had no concerns about meeting the timescales for the Board meeting. LC took the Committee through the Key Risks and there are no issues with most, although two areas are still being worked on, namely: <ul style="list-style-type: none">- Income recognition – RSM still waiting for the final funding reconciliation from DfE- Going Concern – RS's work is still ongoing so no conclusions on this as yet. <i>MR entered the meeting</i> JB thanked the Finance Team and RSM for all the work to get to such a positive place The Audit Committee agreed to recommend that the report goes to the Board.

7	<p>To consider the draft consolidated accounts and financial statements for year ended 31 July 2024</p> <p>DW presented the item and stated that it is a strong set of accounts, with an 'Outstanding' financial health position and all loan covenants have been complied with.</p> <p>JB asked LR if she had anything to add. LR stated that it is very pleasing to see such a strong positive financial position.</p> <p>The Committee agreed to commend the accounts to the Board.</p>
8	<p>To consider the draft HBDC Ltd directors report and accounts for the year ended 31 July 2024</p> <p>Confidential.</p>
9	<p>To consider the letter of support from the College to the subsidiary company</p> <p>Confidential.</p>
10	<p>To consider and approve the WB Services Internal Audit Annual plan</p> <p>GG presented the Internal Audit plan for 2024/25. Approval was delayed due to the College not approving the contract extension until July 2024 so this was the first opportunity for Audit Committee to approve it. The Plan includes audits for 2024/25 in the following areas:</p> <ul style="list-style-type: none"> - Safeguarding - Business Continuity planning - Adult Skills Funding - Cyber Security - HR – succession planning - Follow up on previous recommendations <p>DH commented that it was a thorough piece of work. JB asked the Committee if they were happy with the coverage.</p> <p>The Committee responded yes and the plan was approved.</p>
11	<p>To consider the audit committee's annual report for 2023/24</p> <p>KD presented the Audit Committee's annual report and reminded the committee that the section highlighted in blue needed consideration.</p> <p>JB commented that she was happy with the report with regard to accuracy.</p> <p>The Committee agreed that after considering all of the information presented in the annual report, that they were happy with the effectiveness and could commend the report to the Board.</p>
12	<p>To consider the audit committee's self-evaluation for 2023/24</p> <p>JB commented that this report was self-explanatory and shows how the Audit Committee fulfils its duties:</p> <ul style="list-style-type: none"> • SF-B commented that it was comprehensive. • LR and GG also agreed with the content. <p>The Committee agreed with the evidence provided and commended the report to the Board.</p>

13	<p>To monitor QAPP updates</p> <p>DW presented the report and told the Committee that all policies were now up to date.</p> <p>JB commented that this was a very pleasing position given previous reports to the committee.</p> <p>The Committee accepted the report.</p>
14	<p>To receive and consider any risk reports from committee's</p> <p>None.</p>
15	<p>To consider and approve the Risk Register</p> <p>DW presented the updated Risk Register but said that there are some risks not yet reflected on the register due to uncertainty surrounding them. Examples given were T-Levels, defunded qualifications and further capital allocations. This would be reviewed as more information is forthcoming from DfE.</p> <p>JB commented that the College needs to reflect on risks that remain the same despite actions. She said that consideration should be given to any additional mitigations or whether the College is accepting the risk tolerance.</p> <p>The committee approved the risk register.</p>
16	<p>To consider Procurement activity</p> <p>DW presented the report which shows the details of instances when the College was unable to follow Procurement policy regarding tenders or quotes, together with the reasons why this is the case. He highlighted that the list includes several software purchases and Finance and IT will be conducting a review to ensure that Value for Money is being achieved. The outcome will be reported to the next meeting.</p> <p>He also told the committee that some LSIF capital items had gone through alternative procurement routes such as NHS procurement frameworks.</p> <p>JB commented that it was a very useful paper.</p> <p>The Committee accepted the paper.</p>
17	<p>Any other business</p> <p>JB took the opportunity to thank Internal and External auditors for their work during 2024/25 and the finance team and management for their work on the annual accounts.</p>
24	<p>To note the date and time of the next meeting:</p> <p>Tuesday 6th March 2025 at 5.30pm</p>
25	<p>Meeting without external advisers</p> <p>Not required.</p>

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CHAIR

Action points from the meeting on 20th November 2024

No	Item	By Whom	By Date
16	Results from review of IT software procurement to be brought to the next meeting	DW	March 2025

Action points from the meeting on 16th November 2023

No	Item	By Whom	By Date
8	Review HBDC Ltd	DW/DH	2023/24