**AUDIT COMMITTEE AGENDA**

For the meeting from 5.00 pm on Monday 12th June 2022

Board Room, Cirencester College. This meeting will also be available via Microsoft Teams.

**As JT will be abroad and likely to attend via Teams, it was agreed at the Audit Committee meeting on 6th March 2023, that DZK would chair this meeting.**

In attendance:

NC (Cirencester College, IT Manager)

AF (Cirencester College, Finance Director)

KF (Cirencester College, VP Student Journey and External Relations)

JM (Audit Partner, Mazars LLP)

JPJ (Cirencester College, Head of Human Resources)

JA (Clerk to the Corporation)

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| --- | --- | --- | --- |
|  |  | Who | Time |
| 1. | **Apologies for absence** | Chair/Clerk | - |
| 2. | **Declarations of interest** | All | - |
| 3. | **Confidential**   1. Notification of incidents of losses and fraud since the last meeting (verbal report). 2. Notification of any Whistleblowing incidents since the last meeting (verbal report) | Chair | 5 |
| 4. | **Minutes of the previous meeting**  To receive and approve the m[inutes](https://cirencestercollege.centraldesktop.com/corporationmeetings/file/24599441/?pgref=&successmsg=Successfully%20Uploaded&new_file=true) of the last meeting held on the 6th March 2023 (NB sent to committee for comment on 13/3/2023 and received by Corporation on 20/3/2023):   1. Confidential internal. 2. External. | Chair/Clerk | 5 |
| 5. | **Matters arising from the minutes of the previous meeting not covered within the agenda of this meeting.**  To review any matters arising from the minutes. | Chair/Clerk |  |
| 6. | **HR System (confidential)**  To receive a verbal report from the Head of HR on the new HR system, the implementation plan and timetable. | Head of HR | 10 |
| 7. | **IT and Cyber-security report (confidential)**   1. To receive and note the IT and cyber-security report from for June 2023. 2. To receive and note the IT and cyber security risk register. | VP Student Journey and External Relations.  IT Manager | 15 |
| 8. | **Annual Strategic Conversation 2023**  To receive and note the letter from the ESFA (18th May 2023) summarising the annual strategic conversation meeting which was held on 19th April 2023.  *Note – this letter will issued to all governors via the Corporation meeting on 26th June 2023.* |  |  |
| 9. | **ONS reclassification**  Following a review into the classification of the statutory further education (FE) sector (FE colleges, sixth form colleges and designated institutions) and their subsidiaries in England, the Office for National Statistics (ONS) has reclassified colleges and their subsidiaries into the central government sector.  The ESFA has published further guidance to aid the meeting of the new requirements following reclassification:   1. College requirements regarding asset disposals (updated 12th April 2023).   *Note – Managing Public Money (MPM) and 5 other bite size guidance documents issued to the committee at its meeting on 6th March 2023.* |  |  |
| 10. | **Interim Risk Management Report**  To receive and review the interim Risk Management Report as of June 2023. | Finance Director | 15 |
| 11. | **Risk Assurance Register**  To receive and review the Risk Assurance Register as of June 2023. | Finance Director | 10 |
| 12. | **Internal audit 2022-2023**  To receive, review and note the current status of the internal audits for 2022-2023 (as approved by Corporation on 27th June 2022).   1. Core financial controls – from TIAA.  **(6th March 2023 meeting noted this will be scheduled for 26th-28th June 2023).** 2. Cyber security assurance. **(6th March 2023 meeting noted that a penetration test will be commissioned to take place after April 2023).** 3. Employer related review – work placements, work experience etc. **(6th March 2023 meeting noted that AF will discuss the timing with the Principal as work placements and work experience are critical to the T Level delivery).** 4. Safeguarding, wellbeing, welfare, tutorial, enrichment, careers and progression review 17th and 18th November 2022 **(6th March 2023 meeting requested a tracker for the recommendations and actions).**     **(Audit committee Terms of Reference 3.4)** | Finance Director | 10 |
| 13. | **Internal audit 2023-2024**  To discuss potential areas for internal audit during the 2023-2024 academic year.   1. The guidance document ‘The scope of the work of audit committees and internal auditors in college corporations. Annex A refers to areas for the Audit Committee to consider. 2. Recommendation to the Corporation meeting on 26th March 2023 regarding potential areas for internal audit during 2023-2024. |  |  |
| 14. | **External audit (confidential)**   1. To receive and note Mazar’s Audit Strategy Memorandum (year ending 31 July 2023). 2. The committee is asked to make a recommendation to the Corporation that it approve Mazar’s Audit Strategy Memorandum (year ending 31 July 2023). | Mazars | 10 |
| 15. | **Post 16 Audit Code of Practice 2022-2023**   1. To receive and review the Post 16 Audit Code of Practice 2022-2023 (issued April 2023) which sets out how the Corporation provides assurance to the ESFA that public money is spent in accordance with HM Treasury guidelines and that statutory and other legal requirements have been properly discharged.   *NB The significant changes in the Post 16 Audit Code of Practice 2022-2023 have been included in the updated draft of the Audit Committee Terms of Reference for review by the committee as item 16 of this agenda.*  **Regularity Self-Assessment Questionnaire**   1. To receive and review the draft of the Regularity Self-Assessment Questionnaire 2022-2023 which will need to be approved by the Corporation and signed by the Chair of the Corporation and the Accounting Officer at the 26th June 2023 meeting. 2. To receive the draft letter to Mazars regarding regularity assurance engagement for the period ended 31 July 2023 and to recommend the authority be granted for the Finance Director to sign this on behalf of the college. To recommend approval by the Corporation at the 26th June 2023 meeting. | Chair  Finance Director | 10 |
| 16. | **College Accounts Direction 2022-2023 – Financial reporting requirements for sixth form colleges and further education colleges – March 2023**  To receive and review the College Accounts Direction 2022-2023 (April 2023) which sets out the Education and Skills Funding Agency (ESFA) financial reporting requirements and will inform the annual report of the Audit Committee to the Corporation (due December 2023).  *Note – the College Accounts Directions 2022-2023 will be issued to all governors via the Corporation meeting on 26th June 2023.* | Chair | 10 |
| 17. | **College Financial Planning Handbook 2023**  To receive and note the ‘College financial planning handbook 2023 (Financial outturn requirements for the year 2022 to 2023 and financial planning requirements for the years 2023 to 2024 and 2024 to 2025 for further education and sixth-form college corporations)’ issued by ESFA May 2023.  The mandatory College Financial Forecasting Return (CFFR) must be submitted by 31st July 2023.  *Note – the College Financial Planning Handbook 2023 will be issued to all governors via the Corporation meeting on 26th June 2023.* | Chair | 5 |
| 18. | **Policies**  To receive and review the following policies:   1. Fees and Income Policy 2022-2023. 2. Fees and Income Policy 2023-2024. 3. The committee is asked to make a recommendation to the Corporation at its meeting on 26th June 2023 to approve the policies. | Finance Director | 10 |
| 19. | **Audit Committee**   1. Constitution, terms of reference and procedures. To complete the annual review of the Audit Committee Terms of Reference (Standing Order Appendix 5A) and make any recommendations for approval to the Corporation meeting on 26th June 2023.   *NB - the significant changes in the Post 16 Audit Code of Practice have been incorporated into the document and are highlighted.* | Chair | 5 |
| 20. | **Audit Committee Self-Assessment Questionnaire (SAQ) 2022-2023**  To receive a draft of the Self-Assessment Questionnaire 2022-2023 (SAQ) of the Audit Committee (with updates highlighted) for discussion and approval by the Committee. | Chair | 5 |
| 21. | **Any Other Business**  Chair to be informed in advance of the meeting.  Inclusion on the agenda at the discretion of the Chair.  a. To receive a paper outlining the increasing IT licence fee budget by £42k.   1. To receive a paper outlining the impairment write offs to Davis Block and if applicable to the Refectory. | Chair |  |
| 22. | **Date of the next meeting**  The next Audit Committee Meeting is proposed to take place at 5pm on 20th November 2023 in the Board Room at Cirencester College. This is subject to the approval of the Calendar of Meetings 2023-2024 (Standing Order 8) at the Corporation meeting on 26th June 2023. | Chair |  |