

**Minutes of the Audit Committee Meeting
held on Thursday 18 September at 17:30, Jorvik Suite**

Present:	Julia Histon Andrew Thomas Victoria Inness	Independent Governor Independent Governor Independent Governor
In Attendance:	Chris Courtine Martin Ritchie Ken Merry Joy Kettyle Harriet de Bourg	Finance Representative TIAA (internal audit) – joined remotely Principal/CEO Deputy Principal & Deputy CEO Executive Assistant (for the minutes)
1.	Apologies for Absence / Declarations of Interest	
1.1	<p>The Chair welcomed attendees to the meeting. Apologies were noted from John Ennis, James Farrar and Carolyn Barker. Victoria Inness was expected and joined a little later than the start time. Martin Ritchie from TIAA joined remotely.</p> <p>There were no declarations of interest in any of the committee's business items.</p> <p>The Chair of the meeting was Julia Histon. Notice of the meeting was given at least 7 days in advance. The meeting was quorate.</p>	
2.	Minutes of Previous Meeting – 3 July 2025	
2.1	<p>The minutes of the meeting held on 3 July 2025 were reviewed and approved as an accurate record.</p> <p><i>The Committee resolved to approve the minutes.</i></p>	
3.	Matters Arising	
3.1	<p>Action Summary The Committee reviewed the Action Summary from the 3 July 2025 meeting, noting all actions have been closed with the only one outstanding re the Business Continuity Plan to be received from the Finance and General Purposes Committee.</p>	
3.2	<p>Any other matters None.</p>	
4.	External Assurance – Internal Audit	
4.1	<p>Internal Audit plan – 2025/26 TIAA presented the internal audit plan for 2025/26 for committee discussion. The plan was developed in conjunction with York College management. Focus on 2025/26 and no further due to the one-year contract extension for TIAA.</p> <p>Appendix A detailed the proposed internal audits topics for next year, including the number of proposed days for the selected areas with Cyber Security noted as the most significant. Appendix B provided further detail on high level scope for the areas.</p>	

	<p>The Chair welcomed comments from the committee, it was noted that the report looked comprehensive, and they were happy with the proposed subject areas.</p> <p>The Chair raised the following queries on wording in Appendix B</p> <ul style="list-style-type: none"> - Clarification on GDPR and Freedom of Information or GDPR and Data protection? TIAA confirmed GDPR and Freedom of Information. - Clarification on the Performance Management of College KPI's or staff performance. TIAA confirmed this will be high level, college KPI's. - Health & Safety – query on not having Gas listed explicitly under this section. MR will rectify this for inclusion as it is an error. <p><i>The committee approved the audit strategy and annual plan for 2025/26, subject to the error being rectified in relation to the Health and Safety audit.</i></p>	MR
4.2	<p>IA Recommendations Implementation</p> <p>The Principal presented the update on the implementation of recommendations in previous years audit reports. The Chair noted she and the Principal had discussed wording in the workforce plan and that it had been incorporated into the broader people strategy. Overall, the committee noted there had been good progress made this year.</p> <p>The Chair queried the two outstanding recommendations that have been classified as “no longer” to be progressed.</p> <ul style="list-style-type: none"> - Addition of EDI to the Risk Register and queried the availability of an operational risk register. The Principal agreed, however, that he did not interpret this as a strategic risk. It is included in the operational risk register and can be escalated to the strategic risk register if tensions heighten. It is noted in the Safe Community section of the strategic risk register currently. TIAA agreed the need for an escalation route. - Adoption of a Workforce Plan – it was agreed that this had been subsumed into curriculum planning process led by the Deputy Principal & CEO. This process begins in November 2025 for the 2026/27 academic year to enable the college to proactively recruit the correct staff needed. JH agreed that this is being progressed and requested the wording is made clearer to indicate this. <p><i>The committee noted the progress against recommendations of previous audits.</i></p>	KM
4.3	<p>IA Reports</p> <p>TIAA presented an overview of the internal audit reports for 2024-2025 covering the following areas:</p> <ul style="list-style-type: none"> • Payroll • Curriculum Planning • Follow Up - 2024/25 	

	<p>Payroll</p> <p>This was a standard audit with a focus on analysis and compliance testing. It was noted that many positive areas were found for controls and compliance with procedures and policies.</p> <p>Recommendations suggested were all considered to be routine.</p> <ol style="list-style-type: none"> 1- key for attention as relates to risk of fraud. The banking authority change form requires two signatories to change details however TIAA would be looking for a further verification step via an in-person check. MR noted that attempts are becoming more convincing externally. 2- A minor point regarding net pay reports. This related to a specific case where the previous Chief Finance Officer had approved via email instead of directly in the spreadsheet. Not a recurring issue so no concerns. 3- Supporting expenses with receipts. One isolated case of non-evidenced receipts for a claim, not recurring issue so no concerns. <p>Chris Courtine noted that the new system for supplier checking and processing has a function built in for bank detail checking with HR. this will be rectified going forward to establish external verification of changes.</p> <p>- Curriculum Planning</p> <p>Substantial assurance evidenced here with focus on areas of good practise and strategy based on research data analysis. The recommendation formalised the wording for the recruitment strategy to ensure that there was a deliberate focus on ensuring people were recruited in advance of new curriculum being introduced. Joy Kettle noted the audit was a welcomed chance for reflection and agreed with the recommendations suggested.</p> <p>- Follow Up – 2024/25</p> <p>This section focussed on overall progress against actions based on being two years into a three-year plan. There was an element of duplication in the wording due to some areas being reviewed on an annual basis. The Business Continuity Plan (BCP) action had previously been discussed as needing submission to Finance and General Purposes Committee.</p> <p>Good progress has been made with 23 actions implemented, 79%. There are four outstanding which are noted to be actioned by the end of the year. Two have been considered not implemented but this is due to wording changes or action being superseded by other areas.</p> <p>The chair noted the query re the BCP plan. An April test for disaster recovery was completed however queried the future test plans in this space. The Principal noted a further simulation of a cyber attack will take place this term with support from JISC. Doxyfish had been adopted and is used to generate random test emails to staff to generate awareness. Estates are working with the IT team to review all aspects of the BCP in preparation for this being presented in the coming months. Evolve system has been implemented for online trips and visits approval.</p>	
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	<p>Victoria Inness queried the follow up tracker and the area where the BCP plan was marked as completed. MR confirmed that an output is needed from the scenario testing to be able to completely mark as complete. TIAA were unable to verify the test with outputs currently. The chair noted some areas relating to HR where recommendations have been moved to not implemented. There was a query regarding the teams' engagement with this process however the Principal clarified that he is working closely with the team in this area. The updated draft People Plan is to be submitted to the People and Governance Committee and Full Board this cycle.</p> <p><i>The Committee accepted the internal audit reports and noted the findings and recommendations.</i></p>	
4.4	<p>Internal Audit Annual Report</p> <p>The committee received and reviewed the internal audit annual report for 2024/25 presented by Martin Ritchie of TIAA. This report is also referenced in the annual accounts.</p> <p>MR summarised the work for the year drawing the committees attention to the positive outcomes in the executive summary with particular reference to:</p> <ul style="list-style-type: none"> - Risk management control and governance. - Expecting a positive year in terms of assurance and benchmarking across the sector. - Noted that confidence was found as fully justified. - There have been no limitations that impaired the independence and objectivity of the auditors. <p>It was noted that a change to the original plan resulted in Performance Management being deferred from 2024/25 and payroll being brought forward. This has been included for 2025/26.</p> <p>The committee noted that given the amount of substantial assurance noted in the report it was disappointing to receive an overall rating of only reasonable assurance and not substantial assurances overall.</p> <p><i>The committee welcomed the report and noted the outcome.</i></p>	
5.	Internal Audit Assurance – College Assurance	
5.1	<p>Strategic Risk Monitoring</p> <p>The Principal presented the updated Strategic Risk Register to the committee. No new risks had been raised by colleagues at the time of producing the report. It was noted that cyber security remains the highest-rated risk, reflecting its ongoing significance and potential impact. Key points to note were:</p> <ul style="list-style-type: none"> - Some risks have been mitigated due to core purpose results indications. - Sustainability is looking better positioned. - Student recruitment and budget position looking increasingly positive and up vs last year. - Subcontracting remains on the register, awaiting the approval letter from the DfE to be received in writing. Expecting a 3-year review cycle to be requested. - Safe community – consider reducing risk based on inbuilt internal controls i.e. Leaders in Safeguarding Gold however 	

	<p>have held off due to the current external community environment.</p> <p>The chair raised the following queries regarding the risk register ratings</p> <ol style="list-style-type: none"> 1- Cyber – agree to remain red after mitigation even though an area of concern. Chair queried whether it should be formally marked as a matter of concern. The Principal explained the rationale for it not being and noted that if the college was under constant attack and the effort to defend was requiring additional resource it would be rated however at present this is a risk that is accepted as part of business as usual. 2- Safer Communities – rising tensions in York, the chair requested the wording be updated to reflect more of the risk controls identified before presentation to Full Board. It was noted that tensions are not being felt in college however broad training is being prepared for all. <p>Overall, there has been good progress made in monitoring and identifying the cycle of progressing between operational and strategic risks. Governors felt the recorded risks reasonable with the movements appropriate.</p> <p><i>The Committee was satisfied with the report and recommended for submission to Full Board.</i></p>	KM
5.2	<p>Financial Statements / Audit update</p> <p>The Finance representative presented a verbal update on the status of the College's Financial Statements and related audit.</p> <p>Financial Statements – prepared during w/c 8 September and submitted to RSM (external auditor) for review. It was noted these are the best set of accounts Finance have seen in recent years. Reporting a slightly increased surplus of 82k from 17k due to increased Apprenticeship and High Needs funding. Cash is as forecasted. Awaiting this year's pension reports from LGPS, overdue by 2 weeks but seems to be a general issue as two other colleges have not received them either.</p> <p>Audit – RSM on site this week for two weeks. Good progress made this week and interaction with Finance department. Expecting scrutiny re severance payments but nothing untoward to note. RSM are expected to finish their on-site work next week with more informal, follow up calls scheduled as needed. Final funding reports are needed in October to be fed into the accounts for draft review at the 10 November Audit Committee.</p>	
6.	Other matters	
6.1	<p>Additional Services from Audit Providers</p> <p>None.</p>	
6.2	<p>Committee Effectiveness</p> <p>The Chair noted the report submitted from Carolyn Barker (Director of Governance) in her absence due to annual leave. The report detailed suggested changes to the TOR and areas for improvement based on government best practise.</p>	

	<p>TOR - The committee had no comments on the proposed changes to the TOR.</p> <p>Area for Improvement – three areas were noted for improvement in terms of the committee’s effectiveness:</p> <ol style="list-style-type: none"> 1. Succession Planning. 2. Staff Voice in Audit Challenges - Suggestion to give equal weight to staff feedback when the accuracy of an audit report is questioned. This comment will be followed up by KM. 3. Committee Composition – this has been clarified in 2.3 of the updated TOR to note that staff are not eligible to join the committee. Where a staff governor is considered, this will be subject to committee review and agreement. <p><i>The committee approved the updated TOR and areas for improvement.</i></p>	KM
	Summary Matters	
7.	Key meeting outcomes and/or actions	
7.1	<p>Matters for report to the Governing Body (if any)</p> <ul style="list-style-type: none"> • Risk register to be updated and submitted • Annual audit report – submitted as part of final accounts in December. 	
8.	Any Other Business	
	None.	
9.	Date of Next Meeting – 10 November 2025	