

TRAFFORD & STOCKPORT COLLEGE GROUP

Minutes of the Audit Committee Meeting
held at 4.00pm on Monday 24 June 2024 in the Boardroom at the Altrincham Campus

Present:	Jed Hassid Ian Duncan *Heather Lang Matthew Swann	(Chairperson)
In Attendance:	Rebecca Clare *Carmen Gonzalez-Eslava Henry Taylor-Toone Lyndsay Sheridan Lucy Hughes Rachael Wright *Sofia Carroll	(Corporation Secretary) (Deputy Principal) (Chief Finance Officer) (Director of Finance) (Armstrong Watson – Audit Manager) (Beever and Struthers) (Naomi Korn Associates – Data Protection Officer)

*Joined remotely via Microsoft Teams

Minute No**AUD/15/24 Apologies for Absence**

The Corporation Secretary confirmed apologies for absence had been received for Karen Rae (Armstrong Watson) and Emma Kelly.

Heather Lang, Carmen Gonzalez-Eslava and Sofia Carroll joined the meeting remotely via Microsoft Teams.

Jeremy Woodside is now a member of the Audit Committee but is currently serving a sabbatical until the end of the academic year.

AUD/16/24 Declarations of Direct or Indirect Interest in any of the Meeting's Business Items

There were no declarations of either direct or indirect interest in any of the meeting's business items.

AUD/17/24 Minutes of the Meeting held on 17 April 2024

The minutes of the Audit Committee meeting held on 17 April 2024 were approved and accepted as a correct record.

AUD/18/24 Matters Arising from the Minutes

The Corporation Secretary went through the actions from the previous meeting and confirmed that most actions had been closed or would be discussed during the meeting.

Specific updates were provided on actions that remained open as follows:

- **Action 1/24 Matters Arising 38/23 – Internal Audit Reporting Term 1 2023-2024 – Business Critical Controls – Finance and Follow Up Report**

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The Chief Finance Officer (CFO) confirmed that the draft Finance Regulations had been reviewed and recommended for approval by the Resources Committee (on 19 June 2024) to the Board of the Corporation at the meeting to be held on 17 July 2024. It was also confirmed that the Group have engaged with a Procurement Consultant from 1 July 2024 to undertake a review of all procurement activity in line with new legislation.

- **Action 05/24 – Data Protection Progress Update Report**

The CFO reported that as of 6 June 2024, 12 members of staff out of 917 were non-compliant in respect of GDPR training, with the majority being new starters. Managers were taking action to follow this up and ensure compliance. The CFO confirmed that in relation to the previous request to add a threshold to the number of minor breaches, the CFO and DPO had reviewed the action taken, but not the precise limit. In relation to the report, a running average of trends of topics, progress and any recurring issues had been added to the report to be considered at this meeting.

- **Action 10/24 – Board Assurance and Risk Management Framework 2023/2024**

The CFO proposed that the current Board Assurance and Risk Management Framework is rolled out until the new strategy is finalised.

- **Action 24/23 Audit Needs Assessment 2023/2026**

The CFO reported that the Internal Audit Plan for 2024/2025 does not include Cyber Security as the Group is awaiting the outcome of the JISC IT Health Check. A member of the Audit Committee requested sight of the JISC IT Health Check.

Action: The CFO confirmed that the JISC IT Health Check will be shared with the Audit Committee. The CFO confirmed that in the interim, the results of the JISC IT Health Check will be shared with the Audit Committee.

Action: Chief Finance Officer

A members questioned in relation to the IT Health Check whether this was more of a self-assessment. The Audit Committee demonstrated the importance of external assurance rather than a self-assessment. The CFO confirmed that the IT Health Check had more scrutiny.

Matters Arising – Internal Audit Report – Higher Education Student Data

The CFO provided an update in relation to the Higher Education Student Data Internal Audit and presented the following documents:

- February 2024 ILR Higher Education Student Data Internal Audit Report
- Form 2 – other reportable events
- OfS Letter dated 24 May 2024

The CFO confirmed that since the previous meeting of the Audit Committee, the internal audit report had been submitted to the OfS. Following this, a meeting was held with the CEO/Principal, Head of Audit Committee, Deputy Principal, CFO and AP Planning, Funding and Performance and the OfS Regulatory Compliance and Data Assurance teams on 2 May 2024. As a result of the meeting, the Group submitted a

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reportable event via the OfS portal on 7 May 2024. Following this, the OfS requested for an error report to be compiled and this will be submitted in due course.

The CFO shared an update on the actions taken to date and reported that an internal audit for HE ILR Data has been commissioned for 2023/2024 for week commencing 19 August 2024. The CFO confirmed that an MIS consultant has been engaged for 3 days a week over 15 weeks between May and October 2024 to ensure the cleansing and accuracy of data for 2023/2024 and to review, recommend and implement improved processes to ensure errors do not continue to be made. The CFO and Chair of the Audit Committee had attended the HE Curriculum and Quality Committee to share the internal audit report and provide an update on actions to date.

The CFO provided a summary of next steps and timeline which included the following:

- internal audit recommendations and actions to be closely monitored and updates reported to both the Audit Committee and HE Curriculum and Quality Committee
- the performance of the MIS consultant to be closely monitored to ensure objectives are being met
- once the Internal Audit scope has been received, TSCG to share this with the OfS for their review/sign off. This action has already been completed
- Internal Audit report from the Internal Audit week commencing 19 August 2024 to be reviewed by ELT and shared with the Chair of the Audit Committee and Chair of the HE Curriculum and Quality Committee prior to submission to the OfS

Comments and questions were invited.

The CFO confirmed that the aim for the Group was to have a clearer audit by August and for this to not happen again next year.

A member requested further information in relation to the role of the Consultant and their remit. The CFO confirmed that the MIS Consultant will review all data and ensure that recommendations have been reviewed in preparation for the audit. The MIS Consultant will coordinate the September audit and look to improve processes and ensure compliance going forward. **The CFO explained that he will revert to the Audit Committee with recommendations and action to take forward in relation to this area.**

Action: Chief Finance Officer

The CFO confirmed that the HE Data Audit will remain a standing item until the audit is cleared. The audit recommendations in relation to this area will be added to the audit recommendation tracker for the Audit Committee to monitor progress.

A member questioned if the Group has any concerns in relation to the scrutiny of OfS and if there was likely to be any repercussions with external agencies. The CFO confirmed that there was no indication that there would be any repercussions at this time.

The Internal Auditor (IA) questioned if during a follow up, would the Group be able to show oversight at a governance level. **The Corporation Secretary confirmed that the Chair of the Audit Committee and CFO had been invited to the HE C&Q Committee to share an update on the HE Data Audit. It had been agreed that HE Data would remain as an item on the agenda on both the HE Curriculum and**

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Quality Committee and Audit Committee until the HE Data Audit was clear. The CFO also confirmed that the Chair of the Audit Committee and Chair of the Corporation would be invited to closing conversations for the final Audit.

Action: Corporation Secretary/ Chief Finance Officer

There were no further matters arising from the minutes.

AUD/19/24 Data Protection Progress Update Report

The Data Protection Officer (DPO) from Naomi Korn Associates, referred members to the previously circulated report and an overview of the framework for Data Protection and its effectiveness across the operations of the Group. The report covered the period of January to April 2024.

It was noted that the Group must be able to demonstrate its compliance as set out under the UK General Data Protection Regulations and that the highest level of leadership considers data protection issues and risks.

The following areas of the report were highlighted:

- Staff Training
- Personal Data Requests
- Data Subject Rights
- Freedom of Information Requests and Environmental Information Regulations
- Data Protection Impact Assessments
- Data Breaches

It was noted that overall information rights requests and freedom of information are low. There have been no severe and/or reportable data breaches and the position in relation to data breaches was reported to be low and minor.

The DPO also confirmed:

- the Group continues to demonstrate good GDPR awareness across the departments that have needed data protection advice. An area for improvement remains understanding when a data protection impact assessment is needed
- the DPO has updated the DPIA Procedure for review at the next Information Governance Group
- it was confirmed that student consent in relation to data is provided upon enrolment
- staff training is comprehensive and completed by all members of staff
- there had been no Environmental Information Regulations
- 4 out of 5 requests had been responded to on time

The DPO confirmed that the Group has implemented a good framework for embracing generative AI tools like Co-Pilot. The DPO presented a policy that has been produced for members of staff on data protection best practice using Co-Pilot. Members of the Audit Committee reviewed the Acceptable Staff Use of Generative AI Policy.

The CFO confirmed that if the Audit Committee are happy with the policy, then this will be adopted by TSCG, and a revised copy of the policy will be shared with the Audit Committee at a future meeting.

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Comments and questions were invited.

A member questioned in relation to AI if this was being used widely across the Group. The CFO confirmed that Co-Pilot is not being used widely yet, as the Group has only a few licenses.

A member questioned in relation to data breaches, how do we track and monitor this, so we learn from it. The DPO reported that individuals who commit the breach are responsible for reporting it. Once a breach has been reported, the DPO is informed. The DPO confirmed that there have only been minor breaches, and this is usually human error and guidance is provided for when a person is rushing and to support an individual to slow down and double check.

A member questioned in relation to 1.5 on the policy and the section relating to part time staff and contractors, whether it was correct that they were required to comply with our policy. A member commented that usually if a contractor has not signed a contract for the organisation, then the organisation cannot enforce that the policy is followed. The CFO will review this section and decide who the policy should apply to.

Action: Chief Finance Officer

Comments and questions were invited.

A member shared a minor correction to the table in section 1.5 relating to FOI requests. The DPO confirmed that one FOI request was not completed within the timeframe.

A member questioned the circumstances around a data breach relating to private information about a student. The DPO confirmed that this was deemed minor as the information was not shared outside of the organisation. The DPO confirmed that the ICO does not categorise breaches and there is a specific factor that makes them serious. In this case, the risk was lowered because the information was shared between people within the organisation. The DPO provided an example of a high-risk breach that has been published in the media this week. A member sought clarification on who decides a grading once a breach has been given. The DPO confirmed that she decides and then the CFO approves the decision. Members confirmed that they were pleased with this approach as it provided consistency with the DPO considering the categorisation of the breach.

The committee discussed the definition of copyright and clearance check. It was suggested that the definition of clearance check may need to be explained. The CFO confirmed that it would be for the Information Governance Group to consider this. The DPO provided further information in relation to clearance checks.

There were no further questions or issues raised by members arising from the report and after discussion and consideration it was resolved that the Data Protection Progress Update Report be received and noted.

Minute No**AUD/20/24 Internal Audit Reports 2023/2024**

The Committee received the IAS's Internal Audit reports as follows:

- **Work Placements**

The Internal Auditor (IA) advised that the scope of the review was to consider how well the Group prepares its young people for employment and gives them work exposure and PPD through review of the effectiveness of processes surrounding securing work placements, matching students to the right employers, support and guidance and the contractual arrangements with employers. The Audit covered both T levels and standard work placements.

The IA provided a detailed overview of the findings from the report including an explanation of the 3 recommendations from the report (3 medium).

It was advised that the level of assurance for Design was reasonable and for Operation of Controls was reasonable.

The IA provided detail in relation to the recommendations and commented that further tracking was required where a student was not ready or required further skills to prepare them for the placement and a placement was therefore cancelled. It was also noted that the completion rate seemed quite low for this time of the year.

A member commented on page 2 of the report in relation to the IA being unable to validate hours, but there was a positive finding that key placements are held and the member felt that this was a fundamental point. The IA confirmed that the recommendation related to aggregated data for the completion rates, rather than for individuals. A member commented that having read the recommendation, it could have been made clearer.

A member commented that there had been some issues in relation to data across several reports and questioned how as a committee they could take this forward. The CFO confirmed that data is tracked, but further detail could be added to the thresholds. The members commented that they felt the Group was putting itself at risk of wider external scrutiny. The CFO stated that there had been some staffing issues in MIS during the previous year and there were now several newly appointed members of staff in that area. There was one role in MIS that was currently being recruited. The IA commented that the Group should consider their second line of defence to ensure managers are compliant and there are enough managers looking at different areas. **The CFO confirmed that the second line of defence will be considered in conjunction with the new strategy and future resources.**

Action: Chief Finance Officer

- **Partnership Review (Advisory Report)**

The IA advised of the purpose and scope of the advisory review of the TSCG Partnership arrangements covering the following areas:

- discussion with TSCG staff to understand the extent and operation of "Partnership" arrangements and how TSCG determines if an individual arrangement is a "Subcontracting" arrangement or a "Partnership"

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- review of TSCG's "Partnership" agreements with respect to the risks of them being considered as "Subcontracting" arrangements by either Funding Body that TSCG has contracts with
- review TSCG's practical 'day to day' "Partnership" management in the context of the Funding Bodies Rules and definitions of Subcontracting
- review a small sample of Learner documentation for each Partnership agreement to understand how the arrangements operate at the individual learner level
- review relevant TSCG Policies and Procedures with respect to subcontracting and partnership arrangements
- review arrangements for the reporting of "Partnership activity" to Senior Management and the Board.

The IA provided a detailed overview of the findings from the report including an explanation of the 6 recommendations from the report (2 high and 4 medium).

The IA commented that there was a level of risk that some of the partnerships could be deemed subcontracting. The IA reported that one of the recommendations related to lack of evidence in relation the reclassification of colleges and where individuals are under direct management as a subcontractor. The CFO confirmed that management would add controls for the higher risk recommendation.

The IA highlighted the ESFA scrutiny around the football arrangement. The CFO reported that the arrangement with City in the Community will not be continuing next year but the arrangement with Altrincham FC is sourced as part of the qualification.

The IA commented on the recommendation to have an annual checklist completed for apprenticeship partners and the checklist being completed for partners only. The IA confirmed that the checklist would help to distinguish between partners.

The committee discussed instances where the correct logo was not on the contract and contracts were not signed. The CFO confirmed that contracts will be rebranded with our new logos. The CFO confirmed that this process will be quality checked going forward and delivery will not be permitted until the contract is signed.

- **Learner Numbers 16-19 Student Data IA Report**

The IA advised of the purpose and scope of the review covering TSCG's arrangements for the accurate and complete collection of 2023/24 ILR data at an individual learner level for 16 to 19 learners ensuring compliance with funding body requirements, with a view to reporting on the level of compliance and data accuracy.

The IA provided a detailed overview of the findings from the report including an explanation of the 5 recommendations from the report (2 high, 2 medium and 1 low).

The IA reported that from the review of a sample of thirty 16 to 19-year-old learners identified, there were 18 learners where either there were potential funding issues, data issues or an insufficient audit trail as TSCGs enrolment controls had not been followed or evidenced as required.

The IA discussed the recommendation in relation to data being incorrect on the ILR and data checks not being checked accurately on a timely basis. The IA reported

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minor control issues and planned learning hours were not being recorded properly. The ILR records did not always match the base documentation. The CFO confirmed that the Executive Team will consider the second line of defence to correct this moving forward. The committee supported the commitment to enhance the second line of defence.

- **Follow up**

The IA advised that the purpose of the review was to provide assurance on the implementation of internal audit recommendations that management had advised are implemented. The IA explained that all recommendations followed up at this visit are recommendations raised by the previous Internal Auditor. The IA provided a summary of the follow up recommendations. The IA reported that there were 22 recommendations carried forward (3 high, 12 mediums, 7 low). The overall implementation rate for the review was reported to be 78%.

In relation to the 18 further recommendations added, the IA reported that 11 recommendations were not yet due and a further 7 had not fallen into the remit due to cost but will be reviewed at the next follow up. It was further noted that 2 recommendations were not due, as a new date had been agreed by the Audit Committee. The IA explained that the Audit Committee is required to approve the one recommendation to be removed.

The CFO requested approval for the IA to complete additional work to review the outstanding follow up recommendations. The Audit Committee approved for the CFO to progress a quote from the Internal Auditors. The Audit Committee agreed that an approach could be used to review the high and medium recommendations sooner and use assurance from management around low level risks. The IA agreed to quote for this work and then the approach can be agreed. Members agreed that the high-risk recommendations were more of a concern, and they would like the high-risk recommendations to be considered as a priority.

Action: Internal Auditors/ Chief Finance Officer

A member requested further scrutiny in relation to the MIS Data recommendations. The CFO confirmed that the MIS recommendations can be looked at separately next academic year, but due to capacity the Group required time to respond to the recommendations.

A member raised the timeline of the IA papers and questioned whether the late finalised date was due to capacity within the Group and commented that it would be helpful for the management team to have more time to consider the important matters, particularly in relation to the MIS Data audit.

The Audit Committee approved the one recommendation be removed.

Action: Internal Auditors

- **Business Critical Controls HR**

The IA had shared the draft Business Critical Controls HR report at the previous meeting. An updated report was being presented to the Audit Committee due to dates being added to the implementation section due to members of staff being on

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leave during the Easter break at the time. The implementation dates have been added to the final report.

There were no further questions or issues raised by members arising from the reports and after due discussion and consideration it was resolved that the following reports be shared with the Board of the Corporation for approval:

- **Work Placements**
- **Partnerships**
- **Learner Numbers 16-19 Student Data**
- **Follow up Recommendations**
- **Business Critical Controls HR**

AUD/21/24 Internal Audit Progress Report

The Internal Auditor (IA) advised and updated the Committee concerning the current progress in respect of delivering the agreed Internal Audit Plan for 2023/2024.

The IA provided the Committee with an overview of the planned audits for the year, together with the proposed scoping and timing arrangements and stated that all the audits had been delivered as planned, but two audits were delayed at the request of management. The two audits delayed were Higher Education Data due to a new member of staff being appointed and the Health and Safety Critical Controls. The IA referred members to a table that showed a summary of the progress throughout the plan and confirmed swift management in relation to the draft recommendations. The Audit Committee also noted the additional work undertaken at the request of management relating to the ILR data for Higher Education and the Group's Partnership arrangements. The IA reported that non-compliance in business areas is becoming a theme and in particular relation to policy and procedure. The IA confirmed that this linked to the previous discussion in relation to ensuring people are properly trained and assurance around the second line of defence. The IA confirmed that the Group was on track to receive reasonable assurance throughout the duration of the plan until the end of the academic year.

There were no further issues raised by members arising from the update and it was resolved that it be noted.

AUD/22/24 Audit Tracker – Management Actions arising from Audit Reports

The Chief Finance Officer (CFO) referred members to the previously circulated report and an update on outstanding audit recommendations with a view to providing assurance that previously agreed audit recommendations were being implemented within appropriate timescales.

The report provided members with detailed progress that had been made in respect of audit recommendations. There was confirmation that a total of 21 recommendations were carried forward from the last report of which 10 recommendations had been completed internally for the Internal Auditors to review. The CFO reported that 2 recommendations had been reinstated and 18 recommendations had been added.

With respect of the HE ILR data audit recommendations, it was reported that work is progressing on the carried over actions and there will be a further update at the next Audit Committee.

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The CFO confirmed the two reinstated recommendations relate to the following:

- IT Controls – Penetration Testing – on further review the planned penetration testing schedule for June 2024 has been delayed as the Group await the outcome of the JISC review of the IT health check requirements
- IT Controls – Server Room access logs – processes are now in place to log, review and save monthly, however not enough time has passed to provide evidence that these are in place and therefore will be reviewed again in December 2024 when 5-6 months of data should be available to review

There were no further issues raised by members and the Audit Tracker update was noted.

It was agreed that in relation to the IT Health Check that the IA report will be shared upon completion. The CFO will share this with the Audit Committee via email and this will be reviewed at the next Audit Committee meeting in the autumn term.

Action: Chief Finance Officer/ Corporation Secretary**AUD/23/24 Draft Internal Audit Plan**

The Internal Auditor presented their report which made proposals for the Group's Draft Internal Audit Needs Assessment (DIANA) for the period 2024-2027.

B&S provided the Committee with full details of the extensive processes and consultations they had undertaken in drawing up the DIANA. B&S also provided an in-depth analysis and justification for the areas that were included in the proposed plan for 2024/25 which included the following:

- Student attendance
- BCC – HR Performance Management
- Insurance
- BCC- Assets & Inventories management including disposals
- Customer Engagement Strategy
- BCC- Treasury/Cashflow management
- Student Disciplinary Process
- Learner Numbers 16-19 and Apprenticeships
- Follow up

The IA confirmed the approach for discussing the priorities for the Internal Audit Plan. The Chair of the Audit Committee and CFO had participated in discussions in relation to priorities.

Comments and questions were invited. A member raised that it was a good plan and a number of areas resonated with discussions at the Board of the Corporation meetings. A member questioned that in relation to the Insurance Audit was this deemed high risk. The IA confirmed that this would consider areas such as employer disputes and if there were correct processes in place to support the Group. A member commented that from the plan presented, the Insurance Audit was the audit that could be replaced if a more urgent

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audit was required. Members of the Audit Committee agreed with this approach.

A member requested that the IA review the name of the Insurance audit as the name did not represent the content of the audit. The IA agreed to consider the name of the audit.

Action: Internal Auditors

A member commented that the plan over future years was not balanced in terms of priorities. The IA confirmed that this will be reviewed next year, and the plan will be rationalised accordingly.

A member questioned if the IA had found any significant issues with other companies in relation to insurance. The IA confirmed that there had been some issues in relation to underlying practices and ownership of responsibilities and this would be a focus of the audit.

There were no further issues raised by members arising from the report and after due discussion and consideration it was unanimously resolved that the Audit Needs Assessment 2024-2027 be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation**AUD/24/24 Draft Internal Audit Annual Report 2023/2024**

The CFO requested that the draft Internal Audit Annual Report 2023/2024 be deferred and presented to the November 2024 Audit Committee.

A member questioned in relation to assurance, if the two remaining audits (with no current rating) would impact upon the progress of the report. The IA confirmed that the rating of assurance would be based upon the average of the audits that have a formal opinion awarded. The IA confirmed that the Group are on track to receive reasonable assurance.

AUD/25/24 External Audit Strategy for Year Ending 31 July 2024 and Future Going Concern Assessment**Going concern assessment**

The CFO reported that based on the draft 2024/2025 budget and current assumptions, there is sufficient headroom (both in terms of cash and Income and expenditure contingency) to support the Going Concern assumption for a period of at least 12 months from the signing of the financial statements being up to December 2025.

A member sought clarity in relation to the figure for capital. The CFO confirmed that this was for the Cheadle project and the invoice will be received in July and paid in August.

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The Financial Statements and Regularity Auditor (FSRA) presented a report which included a copy of their proposed Audit Strategy Memorandum (ASM) for the period ending 31 July 2024.

The FSRA provided the Committee with details of the key highlights of the ASM as follows:

- Purpose, Scope, and Responsible Individual
- Audit Independence and Objectivity
- Audit approach and Planning meeting
- Risk Assessment and the identified high risks which included, Income Recognition and Entitlement, Management Override of Controls, Going Concern, and the Defined Benefit Scheme
- Areas of focus including Regularity and Value for Money, the potential of Claw back and Debtor Recoverability
- Assignment administrative details including reporting, timetable, fees, and team

The Corporation Secretary confirmed that there were minor changes to the governors under the section Related Parties including the addition of Lewis Ormston as a governor and removal of Fatema Desai who was now a Co-opted Member.

Action: Corporation Secretary/ FRSA

The FRSA confirmed that the only increase in fees was due to inflationary rises.

A member questioned the situation in relation to the D-Lock issues. The CFO confirmed that new onboarding process was in place for September to resolve the issues and the significant reductions in D-Locks this year.

There were no further issues raised by members arising from the report and after due discussion and consideration it was unanimously resolved that the External Audit Strategy for Year Ending 31 July 2024 and future going concern assessment be recommended to the Board of the Corporation for approval.

AUD/26/24 Board Assurance and Risk Management Framework 2023/2024 – Update

The CFO presented a report which updated the Committee in respect of the Board Assurance and Risk Management Framework (BARMF) and confirmed that the report provided members with a summary of the risks as detailed in the Strategic Risk Register as follows:

- there were 30 total risks of which 24 had a gross score over 15 and were therefore monitored by the Audit Committee and of the risks there were 3 with a net risk over 15.

The CFO reported that a risk has been added and explained the rationale for the risk relating to AI.

The CFO also recommended to remove a risk relating to the Stockport development as the project has been completed.

The CFO referred to the following documents: Strategic Risk and Assurance Framework; Summary Framework; and Strategic Risk Heatmap. Attention was

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drawn to the horizon scanning and emerging risks as summarised in the supporting paper. The CFO confirmed that one of the columns had been updated at the request of the Audit Committee following the previous meeting.

The IA commented that 12 risks outside of risk appetite seemed a lot. The CFO confirmed that work was being carried out to ensure that the risks moved into the level of risk appetite. This will be reviewed in line with the new Strategic Plan.

There were no further questions or issues raised by members arising from the report and it was resolved that the Board Assurance Risk Management Framework update be approved with appropriate reporting to the Board of the Corporation with the inclusion of the additional risk and removal of one risk relating to Stockport development.

AUD/27/24 Annual Value for Money Report 2023/2024

The CFO presented the Annual Value for Money Report for 2023/2024 and provided the following summary:

- the cost savings targeted for this financial year have been exceeded
- the TSCG non-pay is higher compared to the sector on an income-scaled average
- non-pay expenditure must continue to be analysed against benchmark comparators to assess where operational issues exist and subsequently, work done to remedy any areas of concern
- the pay benchmarking shows TSCG is broadly in line with its specific benchmark population, however the number of FTEs is higher than average
- the Group is slightly above average in terms of total cost per FTE and teaching staff is in line with benchmark population
- Procurement Legislation incoming for October 2024 requires detailed attention and compliance across the Group
- for Social Value Measurement the Group needs to centralise the reporting to have a consolidated assessment of all TSCG's social value activities and financial measurement of those activities

The CFO confirmed that contribution rates will be built into the budget for the next academic year and this area was being developed to support the review of costs by area.

A member questioned the savings. The DoF confirmed that these were not recurring and mainly one-off savings due to good supplier management.

There were no further comments, and it was resolved that the Annual Value for Money Report 2023/2024 be received and noted.

AUD/28/24 Policies

The CFO presented the following policies to be reviewed and provided a summary of the changes which were shown through Track Changes:

Whistleblowing Policy

- updated for TSCG references and updated the Protect details

Anti-Fraud, Theft, Bribery and Corruption Policy

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- update to new Group Name (Trafford and Stockport College Group/TSCG) and included specific reference to Managing Public Money

Board Assurance and Risk Management Policy

- update to new Group Name (Trafford and Stockport College Group/TSCG)
- the policy was still based on the 2021-2024 Strategic Plan and the CFO proposed to update the policy again by December 2024, following approval and roll out of the 2024-2030 Strategy

The Audit Committee agreed that the date be carried forward to Spring 2025 for the Board Assurance and Risk Management Policy.

Action: Chief Finance Officer

There were no further questions or comments from members and following due consideration it was resolved that the following policies be recommended to the Board of the Corporation for approval:

- **Whistleblowing Policy**
- **Anti-Fraud, Theft, Bribery and Corruption Policy**
- **Board Assurance and Risk Management Policy**

AUD/29/24 National Updates

The CFO presented a report which provided members with an overview of recent national updates which were relevant to the Committees work.

The overview covered the following key areas of update:

- Post 16 Audit Code of Practice
- College Accounts Direction 2023-2024
- Regularity Self-assessment Questionnaire 2023-2024

There were no further issues raised by members and after due discussion it was resolved that the update be noted.

AUD/30/24 Leaders in Safeguarding Audit Report

The Deputy Principal (DP) provided a summary of the recent audit on Safeguarding carried out by Leaders in Safeguarding. The report provided areas of strength, areas of recommendation and the Group's response to the 8 recommendations. The DP explained that the Leaders in Safeguarding Award is a registered Quality Mark given to organisations following a thorough external audit of their safeguarding arrangements against 16 Safeguarding Standards. The Deputy Principal confirmed that the Group will provide a response to the recommendations and then the audit findings will be presented to the LiS Scrutiny and Validation Panel who will decide whether all the standards are met prior to being awarded. The Deputy Principal explained the importance of displaying the Leaders in Safeguarding Quality Mark to show that the Group's policies, procedures and everyday practices have been checked by experts. This also demonstrates to students, members of staff and stakeholders that the Group prioritises safeguarding and the Group is serious about ensuring safety and promoting welfare in the services provided.

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A member commented that this was a valuable report and provides assurance as a governor and the results were positive.

There were no further comments, and it was resolved that the Leaders in Safeguarding Audit Report be recommended to the Board of the Corporation for approval.

Action: Corporation Secretary

AUD/31/24 Any Other Business

One matter was raised under any other business.

Procurement Consultant

The CFO confirmed that a Procurement Consultant had been appointed for two days a week from 1 July 2024 and was also working across other GM Colleges. The remit for the consultant was to consider new thresholds, compliance to policy and processes and standardise procurement. This will be embedded over a 12-month period.

AUD/32/24 Date of Next Meeting

It was agreed that provisional date for the next meeting would be held at 4pm on Monday 18 November 2024.

Action: Corporation Secretary

The Data Protection Officer left the meeting following consideration of agenda item 5.

The meeting closed at 3.15pm.