

AUDIT COMMITTEE MEETING

MACCLESFIELD COLLEGE

TUESDAY 18 MARCH 2025 – 9:30AM

ELT MEETING ROOM/TEAMS

Clerk: Ms S Gardiner

Director of Finance to join the meeting once the Audit Committee has ascertained if there are any matters that the auditors wish to pass to the committee from their perspective whilst no college staff are in the room.

The Internal Auditors confirmed that there were no matters to pass to the committee from their perspective.

Attendance	M Wright, N Hodkinson, P Hunter, G Bristow, M Bowers, I Lees
Attendance Non-Committee Members	A Farrar – Director of Finance Internal Auditors – Danial Hassan
Apologies	

ACTION	RESPONSIBILITY
Update on devolution to be added to the Corporation Agenda for 29 April 2025.	SG
Update on recruitment (DP position) to be added to the Corporation Agenda for 29 April 2025.	SG

MINUTES

Item Title

1. Welcome and Apologies for Absence

The Chair welcomed members to the meeting. There were no apologies for absence.

2. Declaration of Members' Interest

There were no declarations of Members' interest.

3. Minutes and Matters Arising

The minutes of the Audit Committee meeting held on 12 November 2024 were approved as an accurate record.

The Director of Governance confirmed that all actions raised at the meeting on 12 November 2024 have been completed.

4. Fraud, GDPR and RIDDOR reportable incidents

There were no matters relating to fraud, GDDP or RIDDOR reportable incidents to report.

5. Internal Audit Update

Daniel Hassan (DH) from Validera confirmed that there are 4 internal audits to undertake before the end of the academic year.

The audit on Corporate Governance has been completed and is undergoing quality assurance before the final report is shared. DH confirmed that this audit was positive. The Business Continuity audit is yet to be completed, however is also showing positive outcomes.

The Director of Governance raised a query regarding the Terms of Reference version control that was raised during the feedback meeting, advising DH that updates to the ToR are recorded on each document, confirming the date approved. DH confirmed that this recommendation will be reviewed upon checking the documents provided.

6. Internal Audit Recommendation Tracker

Annika Farrar (AF) Director of Finance provided an update on the recommendation tracker, confirming that the majority of the recommendations have now been completed and are awaiting the sample audit. AF advised that the recommendation to review and consolidate the risk management documentation has been given the revised deadline date of August 2025 to fall in line with the annual policy updates.

The apprenticeships on-programme and EPA recommendations remain under review. The Director of Employer and Commercial Services will provide an update in readiness for the next Audit Committee meeting in June.

AF confirmed that audits are due to be carried out for Counter Fraud Health Check in May, Payroll, Benefits and Expenses in June and Student Records in July.

CHALLENGE: A Member queried what specifically the auditors will review during the payroll and expenses audit. AF confirmed that the auditors will review the expenses process to ensure all claims follow the correct procedures. Payroll for the College is outsourced. DH added that during the payroll review, they will look at the controls in place to ensure there are no GDPR breaches and all data is correct prior to information being shared with the external payroll provider. With regards to the expenses review, checks will be made to ensure proper process is followed and the College is not being put at risk through any incorrect claims.

7. Risk Management

The Risk Management Committee met on 11 March 2025 and reviewed the 10 risks currently on the register. AF advised that the risk level for risk 1 had not been changed

due to recent guidance being shared from the DfE. AF confirmed that the financial health of the College remains good, however future planning is being affected by the changes being made the DfE. It has been confirmed that the College will receive an in year growth payment, however this will now only be two thirds and we are awaiting confirmation on the NI contributions which has been delayed to May.

CHALLENGE: A Member requested information be presented to full Board on the changes that the Government are making and how this is affecting the College finances and forecasting. AF confirmed that this information will be added to the report presented to the Corporation in April.

CHALLENGE: A Member questioned whether the changes to the funding would drive down the Risk Appetite. AF advised that at the present time, it is very difficult to plan as guidance from the DfE keeps changing. AF added that student numbers are increasing and applications are up on this time last year.

AF confirmed that the DfE have advised that funding for 16-19 year olds has been increased by 3.8% for the next academic year.

CHALLENGE: A Member queried what the College position would be should finances be put at risk. AF confirmed that the DfE would offer support and guidance to bring the financial position back to a good, however with the continuing changes to funding, it affects planning going forwards.

AF confirmed that the benchmark at risk 2 has been reduced and retention has improved. Risk 3 has improved due to the increase in student numbers this year. The change in demographic shows that student numbers will increase over the next 5 years.

CHALLENGE: A Member queried whether an increase in student numbers could be a risk for the College due to its limited capacity. Could we be at risk of not being able to support all students who apply? AF advised that student numbers and curriculum offer is reviewed annually to support the growing numbers.

CHALLENGE: A Member raised an additional risk regarding devolution and asked whether this would need to be included on the Risk Register. Would devolution pose a risk to the retention of staff? A Member advised that currently education is not included within the first mayoral elections and therefore should not be a risk to the College at the present time. AF confirmed that retention is contained within risk 6 on the register.

The Chair requested that a full update regarding devolution and the affects of this be provided to Board at the Corporation Meeting in April. The Director of Governance confirmed that this will be raised with the Principal and added to the agenda.

CHALLENGE: A Member requested an update on recruitment for the Head of Finance position and also the Deputy Principal position. Could these vacancies pose a risk to the Senior Management Team if not filled? AF confirmed that the Head of Finance role has now been filled. Recruitment for the Deputy Principal role is ongoing, however the College has added a brand new role, Director of Student Services and Inclusion, who will oversee safeguarding, student welfare and pastoral services, careers advice and guidance, ALS and enrichment, a role currently undertaken by the Deputy Principal.

The Chair requested that an update on recruitment be provided to Board at the Corporation Meeting in April. The Director of Governance confirmed that this will be raised with the principal and added to the agenda.

The Audit Committee accepted the changes to the updated Risk Register.

8. Date and time of the next meeting

The next Audit Committee will take place on 17 June 2025 at 9:30am.

At the conclusion of the meeting the Chair confirmed that M Bowers would be stepping down from the committee, as her term has come to an end. The Chair wished to thank M Bowers for her support and commitment and the value she has added to both the committee and the College.