



**AUDIT COMMITTEE**

<b>MINUTES of the Meeting of the AUDIT Committee held on Thursday 28 September 2023 at 14.30 via remote participation</b>		
<p><b>Members present:</b> Gillian Lancaster Amali de Alwis Margot Hooley</p> <p><b>In attendance:</b> Chris Payne Jacky Gearey</p>	<p>External member and Chair External member Staff Governor</p> <p>Interim Director of Finance &amp; Data (FD) Clerk</p>	
<b>Quorum 3 members</b>		
<b>Agenda Item</b>		<b>Action by</b>
	<p><b>Opening of meeting</b> The Chair opened the meeting at 14.30 and thanked everyone for attending which was solely to review the Financial Regulations and be updated on a fraud investigation.</p>	
	<p><b>Apologies for Absence</b> 1. Imran Razzaq 2. Gurpreet Kaur</p> <p>There were no other apologies.</p>	
	<p><b>Declarations of interest</b> There were no declarations of interest.</p>	
1.1	<p><b>Notification of any matters for concern (e.g. fraud, whistleblowing)</b></p> <p><b>Fraud</b> The FD explained that on 3 September 2023, he had been advised by the CEO of a fraudulent transaction on the company debit card which in addition to a further transaction had resulted in contact with the College's bank's fraud line. The card was stopped. The matter was assessed in line with the Financial Regulations and ESFA Post-16 Audit Code of Practice and reported to Chair of Audit and the Clerk on 4 September. The theft did not meet the threshold to report to the ESFA (i.e. exceeding £10,000, or systematic in nature). A detailed action plan has been put in place to continue reducing the use of charge/debit cards, tighten controls around their use, ensure immediate checks are made for any potential fraud; this will be contained within a tighter policy. For reassurance all payments have been refunded by the bank.</p> <p><b>Whistleblowing</b> The FD advised of a whistleblowing disclosure that had been sent to him. An investigation had been carried out by a senior manager from another part of the College under the terms of the College Whistleblowing policy. The final outcomes of the investigation will be shared with the Chair of Audit.</p>	

	<p><b>Resolved that:</b></p> <p>(i) notification of fraudulent activity on the College's charge/debit card was received and noted by the committee</p> <p>(ii) notification of a whistleblowing compliant was received and noted by the committee</p>	
1.2	<p><b>Financial Regulations</b></p> <p>The Ada Financial Regulations were last reviewed in 2019 and should have been reviewed again in 2022. The College was waiting the arrival of the new Director of Finance and Data to finalise this but given the delay in their starting we have completed the review now anyway. A secondary consideration was that the Financial Regulations should also have been amended following the reclassification of colleges in November 2022, which resulted in Colleges coming under the HM Treasury 'Managing Public Money' (MPM) regulations. FD highlighted some of the changes including increases to thresholds for referring contracts for a legal check from £100k to £200k, for contracts signed by the CEO/Dean from £20k per annum to £50k pa and bids and/or tenders to be approved by corporation from £20k to £100k. discussion followed on why the threshold limits had been increased, which FD explained were now proportional. For reassurance these had been reviewed by the F&amp;R committee and recommended this to the Board for approval.</p> <p><b>Resolved that the Financial Regulations were received and noted by the committee</b></p>	
1.3	<p><b>Any Other business</b></p> <p>There was no further business.</p>	
1.4	<p><b>Items to be taken forward to next Board Meeting</b></p> <p>1. Financial Regulations</p>	<b>Clerk</b>
1.5	<p><b>Date of Next meetings</b></p> <p>1. 22 November 2023 at 11.00</p>	
	<p><b>Close of Meeting</b></p> <p>Meeting closed at 15.06</p>	