



**MINUTES OF A MEETING OF THE LINCOLN COLLEGE AUDIT AND RISK COMMITTEE
HELD AT LINCOLN COLLEGE ON TUESDAY 5 DECEMBER 2023 AT 1400 HOURS**

Present:	Tim Godson Helen Barton Peter Price	Chair Associate Member
In Attendance:	Sarah Adams Jo Lynch Andy MacLean Martin Rayson Stephen Pringle Paul Oxtoby	Clerk to the Board of Corporation Chief Finance and Compliance Officer Group Financial Accountant Group Financial Controller Wylie & Bisset LLP (via Teams) RSM UK Audit LLP
Apologies:	Chris Jones Graham Gillespie Lucy Goodier	Wylie & Bisset LLP

21/23	APOLOGIES FOR ABSENCE Apologies were received from Chris Jones, Lucy Goodier and Graham Gillespie. Stephen Pringle joined the meeting via Teams. Martin Rayson was welcomed to the meeting as the new Group Financial Controller.
22/23	ELIGIBILITY, QUORUM AND DECLARATIONS OF INTEREST It was reported by the Clerk that notice of the meeting had been given and that a quorum was present. Accordingly, the meeting was declared open. There were no declarations made.
23/23	MINUTES OF THE MEETINGS HELD ON 31 OCTOBER 2023 The minutes of the meeting held on 31 October 2023 were checked for accuracy and matters arising. The minutes were agreed as a true and accurate record and were signed accordingly.
24/23	MATTERS ARISING AND NOTIFICATION OF URGENT BUSINESS The action points from the last meeting were reviewed: 3/23 – change of name approved by Board 4/23 – updated documents circulated 4/23 – sickness figures circulated 7/23 – the CFO gave an update. Meetings have been held and flow of data is being mapped. Where do we want the resource – operations or controls needs to be agreed and this was explained. PO asked if this was being looked at in relation to timing, ie internal and external audit. Where the control points are is being analysed currently 8/23 – combining risk registers has been agreed and will be progressed 8/23 – dates of Risk Management meetings to be circulated

	<p>Action: circulate Risk Management dates</p> <p>10/23 – BAF on agenda 11/23 – HE comments have been fed in 16/23 – explanation on accident/illness figures had been circulated 18/23 – it was agreed that the objective would be to assess against the new Code of Governance</p> <p>Action: New code and framework to be circulated</p> <p>There were no matters arising or notifications of urgent business.</p>
25/23	<p>FRAUD, IRREGULARITY, IMPROPRIETY AND WHISTLEBLOWING</p> <p>There was nothing to bring to the attention of the Committee.</p>
26/23	<p>SCHEDULE OF THE AUDIT RECOMMENDATIONS MONITORING REPORT</p> <p>The monitoring report had been circulated. It was noted there was 1 new recommendation following completion of the Overall Financial Controls Audit and 19 items highlighted for potential removal with the approval of the Committee.</p> <p>1 – agreed to remove 2, 3, 4, 5 – new Finance Team structure to be put in place from January. These items can then be progressed 8 – noted the response received – this will be followed up by JL with GLT</p> <p>Action: contract issues to be followed up with GLT – JL</p> <p>9 – agreed to remove new system is used 10 – agreed to remove 11 – agreed to remove 12 – 18 – last years Audit Findings – to be removed and will be updated 19/20 – work with payroll in progress including pensions and reconciliation 21/25 – it was agreed these would remain and that Matt V would be invited to attend the next meeting. The Committee noted this was the first weak report that had been received in some time and felt that this should be further discussed at P&Q Committee. Concern was expressed that during 2022/23 the P&Q Committee were unaware of the weaknesses that have been identified, though it is acknowledged that subsequently matters have been addressed. Remain and invite MV to next meeting 26/27 – agreed to remove. It was felt the response didn't fully address the recommendation and this was queried and responded to. This is part of the Financial Regulations. It was noted this was a low grade point but as best practice there should be a stock control policy in place. JL explained there is a process in place. Discussion took place on building supplies, ie bricks, etc. It was agreed to put a short policy in place. A list of key holders is in place – to be added to next update</p> <p>Action: invite Matt Vaughan to the next meeting</p>
27/23	<p>STRATEGIC RISK REGISTER</p> <p>The Strategic Risk Register had been circulated to the Committee for information.</p> <p>Regularity visits and were discussed. New risks were explained including: Readiness for merger/acquisition, pay increases and LCI financial performance which related to contracts in KSA. The risk related to Cyber Security was discussed and it was agreed that Graham Harrison would be invited to the June meeting.</p>

	<p>Action: invite GH to June meeting</p> <p>It was asked that JL gives the next meeting an update on the loss making ventures.</p> <p>Action: update on loss making ventures to March meeting</p> <p>It was explained that the Single Tax Group is looking the subsidiaries as a whole and the work being undertaken was explained to the Committee. The risk is the loss of money and the impact on the College. How long is the College prepared to fund these projects to break even and making money was considered.</p>
28/23	<p>BOARD ASSURANCE FRAMEWORK (BAF)</p> <p>The BAF had been discussed in Risk Management Group. It was asked how often the Committee would like this document bringing up to date. It was felt an annual basis would be sufficient. Also agreed to carry this out in the first term of the year.</p> <p>Action: BAF to be updated annually in the Autumn Term</p>
29/23	<p>INTERNAL ANNUAL AUDIT REPORT 2022/23</p> <p>The report had been circulated to the Committee. The following was highlighted:</p> <ul style="list-style-type: none"> • W&B following external assessment continue to meet standards • Overall opinion provided on effective risk management, control and governance processes • Actual days audit carried out against plan • High Priority recommendation • Benchmarking data • KPIs including delays in responses and delay in final report due to delays <p>The Committee noted the report</p>
30/23	<p>INTERNAL AUDIT REPORTS</p> <p>It was explained that three internal audits had been completed and had been circulated.</p> <p><u>Overall Financial Controls</u></p> <p>Overall conclusion of Strong. Looked at all areas of finance with the exception of payroll which has been audited separately. The scope of the review was outlined and it was highlighted there is appropriate oversight.</p> <p>TG asked how many bank accounts there are and are any dormant. It was explained there are a number of bank accounts and that GLA Ltd is currently being dissolved, upon which this account will be closed. It was asked if a full list of bank accounts could be circulated to the Committee:</p> <p>Action: circulate list of bank accounts</p> <p><u>Quality Improvement Plan (QIP)</u></p> <p>Overall conclusion of Weak. It was explained this had taken place during August and had been challenged. The QIP for 2022/23 has a number of actions which had not been monitored with many highlighted as continuing. There is a new QIP in place for 2023/24.</p>

The Committee expressed their disappointment that the internal auditors had been challenged about the work they were undertaking when the work they were undertaking formed part of the audit plan for the year that had been approved by the Board at the start of the academic year.

It was agreed that as the work undertaken by W&B was for the year 2022/23 this may mean that the report is out of date as a lot of progress may have been made between June and now. It was noted that this review had been added late in the year to ensure enough audits had been completed to provide an assurance opinion. It was explained that some areas of audit had been postponed from the plan for the previous year. The Committee asked if the Performance and Quality Committee had been reviewing the action plan and this was confirmed.

It was highlighted that the management response and recommendation were the same for each finding and risk. It was explained the CFCO had included these responses due to the new QIP being put in place.

It was asked if there would be a follow up on just this report and it was explained that the CFCO will feed back into GLT. It was felt that a new audit rather than follow up would be required as all the recommendations have possibly been superseded.

Action: CFCO to feed concerns into GLT

Follow Up Review

An overall conclusion of strong. The report includes detail of the recommendations made throughout the year and their implementation.

The Committee noted the report

31/23 ANNUAL REPORT OF THE AUDIT COMMITTEE 2022/23

The Annual Report of the Audit Committee for 2022/23 had been drafted and circulated to the Committee. The report summarises the work covered during the year. The report will be finalised following receipt of the final External Audit Findings Report. Suggested amendments were outlined for inclusion in the report to be provided to Board.

- P3 – change deep dive to thorough review
- P5 – 2022/23 – training date
- P7 – BAF – change risk management group to RMG
- P9 – staff absence and training ‘within’ the cleaning team

It was asked if GLT had agreed to take ownership of the rolling audit report. It was agreed that the CFCO would take the report to GLT every time it is updated.

Action: CFCO to take each updated Outstanding Rolling Audit Report to GLT

It was asked if additional wording could be included on page 9 in relation to the ‘weak’ conclusion in relation to the QIP audit and this was agreed.

Action: amendments and additional wording to be included prior to circulation to Board

PO confirmed inclusion in relation to final audit findings was sufficient wording and that the full detail was not required.

	<p>The final version to be sent to the Chair for signature.</p> <p>Action: Chair to sign final report</p>
32/23	<p>REGULARITY SELF-ASSESSMENT QUESTIONNAIRE</p> <p>The Regularity Self-Assessment Questionnaire (SAQ) had been circulated. The report has fed into the external audit process. This will be signed at the point of signing of the financial statements.</p>
33/23	<p>HEALTH AND SAFETY</p> <p><u>Health and Safety Committee Minutes – 3 November 2023</u></p> <p>The minutes of the meeting held on 3 November 2023 had been circulated for information.</p>
34/23	<p>RISK MANAGEMENT</p> <p>The notes of the meeting held recently will be circulated when available.</p>
35/23	<p>URGENT BUSINESS</p> <p>There was no urgent business discussed.</p>
36/22	<p>DATE OF NEXT MEETING</p> <p>Date of Next Meeting: the next meeting will be held on Tuesday 5 March 2024 at 1500 hours</p>
	<p>The meeting closed at 15.53 hours.</p>

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Chair

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Date