East Coast College

Audit Committee Meeting 9am 1st July 2025 Teams

Present:	Giles Kerkham (GK) Mike Dowdall (MD) and Teresa Sharman (TS) and Associate Audit Committee Governors Andrew Dowsett	
In attendance:	Wendy Stanger (Director of Governance) Urmila Rasan (Deputy Chief Executive) Lucy Wharry (Head of Finance) John Perry (Audit Partner Scrutton Bland External Audit) Suzanne Rowlett (RSM Risk Assurance Director Internal Audit)	
A/25/07/1	**Membership and Apologies**	**Action**
Apologies Associate Governor Ofure Obomighie		
A/25/07/2	**Declarations of Interest**	
There were no new declarations of interest.		
	Confidential Private Session with the Internal and External Auditors	
A confidential private session was held.		
A/25/07/3	**To approve the Minutes of the meeting of the Audit meeting held on 6th May 2025 and any other matters raised previously not otherwise included in the Agenda**	
The minutes of the meeting of 6th May 2025 were agreed as a true record.		
A/25/07/4	**To review the post meeting action log**	
The action log was reviewed, and it was noted where actions had been completed or were in progress with updates on the agenda. The Deputy Chief Executive advised that subcontractors would be asked to supply a copy of their cyber policy.		
A/25/07/5	**Internal Audit Reports**	
A/25/07/5.1	**Progress Report**	
The Progress Report was noted and Internal Audit advised that the fieldwork was completed for the Systems and Data Advisory Review and the report would be considered at the next Audit Committee.		

A/25/07/5.2	**Annual Plan**	
Internal Audit presented the draft Internal Audit Annual Plan for 2025/26. The proposed performance management review would review the reliability of KPIs and reporting to give assurance that decisions were being made based on accurate data. The Procurement one would look at the system for procurement and whether the new Procurement Act was being complied with. The Committee agreed with the proposal to include Key Financial Controls: General Ledger and Curriculum and Financial Planning and discussed which third audit should be completed. It was noted that the proposal for a performance management review may have been covered by the current Systems and Data review and that the College did not have many large contracts to cover in procurement. It was noted that the Internal Audit Charter needed to be updated and the updated version would be included in December's report. **The Committee agreed to recommend the Audit Plan to the Board, but to determine the third audit to be completed at the December Audit Committee.**		
A/25/07/6	**External Audit Reports**	
A/25/07/6.1	**Audit Plan**	
External Audit presented the Audit Plan and explained the process to be followed including the risk assessment, disclosures, going concern and audit approach. The Audit will consider how the development of Great Yarmouth is to be dealt with in the accounts and additional assurance is to be carried out in relation to funding as there is no other assurance reviews available this year. The Deputy Chief Executive advised that the College would hear in the summer if a DFE Funding Audit was to be carried out. Governors discussed the accounting treatment for the Great Yarmouth re-build and commented that the financial risk was with the DFE. External Audit advised that the accounting treatment would need to be agreed around impairment and depreciation. Governors challenged if AI was being used to support the External Audit work. External Audit advised that analytical tools are used only and that this approach was being developed.		
	Policies for Approval	
A/25/07/7	**Cyber Incident Response Plan**	
The Deputy Chief Executive presented the plan and advised that it had been developed with the College's legal advisors who have significant expertise in this area. The plan had also been reviewed by the College's insurers. Governors discussed the plan and queried how it would be tested and suggested that this might be an area for a future compliance review. The Deputy Chief Executive advised that a ransomware simulation training session had been held and that the IT team tested staff's compliance regarding email attacks regularly. As part of producing the plan the College's		

systems had been mapped and actions taken where required. If there was a major attack the College would require support from external IT and legal experts. The Cyber Incident Response Plan was part of the College's overall Business Continuity Plan. The Director of Governance advised that the College was also required to declare cyber incidents in the regularity audit questionnaire. **Governors agreed the following actions:** • **Cyber Incident Response Plan presented to the Board to be updated to include that the College, under its funding agreement, cannot pay a cyber ransom demand, that the Board should be informed of an attack, and the Principal and CEO contact details added.** **The Committee resolved, subject to the agreed edits, to recommend the:** • **Cyber Incident Response Plan to the Corporation for approval**		**UR**
A/25/07/8	**Learner Journey Audit**	
The Committee noted the update on the actions that had been reviewed by the Quality and Curriculum Committee. The majority of actions were dependent on the digitalisation of enrolment.		
A/25/07/9	**To review the Risk Register**	
A/25/07/9.1	**Strategic Risk Register**	
A/25/07/9.2	**Tactical - Finance and General Purposes**	
A/25/07/9.3	**Tactical – Quality and Curriculum**	
A/25/07/9.4	**Tactical - People**	
A/25/07/9.5	**Tactical - Estates**	
A/25/07/9.6		
Governors noted the Risk Registers and the substantial updating that had taken place following the Board's breakout session on risk. The Director of Governance advised that the Finance and General Purposes Risk Register was to be reviewed following the committee's detailed discussion on risk and risk appetites. The Estates Committee risk register had been completely rewritten and had been split between general estate and Great Yarmouth project risks. Governors commented that a revised Estates Strategy was being developed and this would include the risk that the College had excessive space and ideas for mitigating this. **Governors agreed the following actions:** • **Reserves Policy to be included in the Risk Statements.**		**UR**

A/25/07/10	**Fraud Register**	
The nil return for the fraud register was noted. The Director of Governance advised that as agreed at the last committee the senior team had been reminded that the College's fraud and bribery policies and that the Fraud Register covered all types of fraud and not just financial fraud.		
A/25/07/11	**Economic Crime and Corporate Transparency Act 2023: Failure to prevent fraud**	
The Director of Governance presented the report and advised the committee on the implications of the failure to prevent fraud. Governors commented that the College's policies needed to be updated as part of demonstrating that the College had "reasonable procedures" and that this was wider than just the fraud and bribery ones.		
A/25/07/12	**Policy Review Summary**	
A/25/07/12.1	**QD104 Regulatory, Propriety and Compliance Manual**	
A/25/07/12.2	**QD007 Travel and Subsistence Policy and Procedure**	
A/25/07/12.3	**QD029 Risk Management Strategy and Policy and Procedure**	
A/25/07/12.4	**QD031 Procurement Policy and Procedure**	
A/25/07/12.5	**QD106 College Companies, Mergers, Acquisitions and Joint Ventures Policy**	
A/25/07/12.6	**QD107 Revenue and Capital Budget Policy and Procedure**	
A/25/07/12.7	**QD108 Income and Credit Management Policy**	
A/25/07/12.8	**QD216 Payroll Policy**	
A/25/07/12.9	**QD217 Pension Policy**	
A/25/07/12.10	**QD113 Inventory and Asset Management Policy**	
A/25/07/12.11	**QD115 Treasury Management, Banking and Cash Policy**	
A/25/07/12.12	**QD116 Management Accounts and Cashflow Policy and Procedure**	
The Deputy Chief Executive presented the policies and advised of the changes noted in the summary report. A Governor challenged why policies came to governors and stated that they would abstain from voting on them. The Chair commented that it was part of the Board's assurance framework and provided assurance that there was an appropriate policy in place. The Director of Governance advised that there was a policy in place regarding at what level a policy needed approval along with a schedule of policies.		

Governors discussed the various policies and agreed a number of changes. The Director of Governance advised that the Payroll and Pension Policy were still subject to approval by the Director of People and Wellbeing and if there were any major changes the Committee would be informed. Governors challenged why in the Procurement Policy only one quote was required when using a purchasing consortium and queried if it had been updated for the Procurement Act. The Deputy Chief Executive advised one quote was needed where a consortium such as the Crescent Purchasing Consortium (CPC) framework was used or a specialist agency that tendered on the College's behalf. The CPC ensured compliance with the Procurement Act. **Governors agreed the following actions:** • **QD104 Regulatory, Propriety and Compliance Manual - Add in a section on provision of Business Gifts and Hospitality, 20.1 remove paragraph 5, update climate strategy section.** • **QD116 Management Accounts and Cashflow Policy and Procedure – add in that Management Accounts shared monthly on the portal.** • **Update all references to the Companies Act and Audit Code.** • **A review of the Policy Approval system to be carried out, including whether policies could be amalgamated and reported to the Audit Committee.** **The Committee resolved, subject to the agreed edits, to recommend to Corporation for approval:** • **QD104 Regulatory, Propriety and Compliance Manual** • **QD007 Travel and Subsistence Policy and Procedure** • **QD029 Risk Management Strategy and Policy and Procedure** • **QD031 Procurement Policy and Procedure** • **QD106 College Companies, Mergers, Acquisitions and Joint Ventures Policy** • **QD107 Revenue and Capital Budget Policy and Procedure** • **QD108 Income and Credit Management Policy** • **QD216 Payroll Policy** • **QD217 Pension Policy** • **QD113 Inventory and Asset Management Policy** • **QD115 Treasury Management, Banking and Cash Policy** • **QD116 Management Accounts and Cashflow Policy and Procedure**	**UR** **UR** **UR** **WS**
A/25/07/13	**Agenda Planning**	
Internal Audit Plan and revised Charter Learner Journey follow up review of actions Counter Fraud Strategy and Anti Bribery and Anti-Fraud		

A/25/07/14	Review of Meeting	
1. Confidential Items: Audit Report details. 2. Learners: yes, in Learner Journey review 3. Risk Management: detailed review by committees 4. Health and Safety: None 5. Equality and Diversity: None 6. Media: None 7. How did the meeting go: Frank discussions.		