



Croydon
College



COULSDON
SIXTH FORM COLLEGE



Croydon
University
Centre

MEETING OF THE CROYDON COLLEGE AUDIT COMMITTEE
Thursday 6 March 2025 at 6.00pm
Virtual Meeting

PART ONE MINUTES

Present: Andrew Gilchrist (Chair)
Jonathan Brookes
Michael Cutbill
Armaghan Ul Haq

In attendance: Lorna Raynes, RSM (LR)
Ann-Christine Harland, Vice-Principal Finance and Resources
Paul Marsden, Director of IT and Estates (Item 8)

Clerk: Clare Mitchell, Director of Governance

1.	Apologies for Absence Apologies for absence were received from Shachi Blakemore, Buzzacott.
2.	Declarations of Interest The Chair declared that he was currently a Governor at Brooklands College.
3.	Minutes of the Part One Meeting held on 14 November 2025 The Part One minutes of the previous meeting were <u>approved</u> as a correct record subject to a number of minor amendments from the Chair. Action: DoG to amend the minutes of the meeting on 14 November 2025
4.	Matters Arising not on the Agenda The Committee <u>noted</u> the updated action list. The following action was outstanding and would be completed: #6 TP had now left RSM, LR would share anonymised risk register formats.

5.	<p>Risk Management</p> <p>i) 2024/25 Strategic Risk Register – Spring Term Update</p> <p>The VPF&R reported that the Executive Team had updated the risk register against the new strategic plan. Risk 3 had been split between internal and external security risks. The Committee noted that Risk 3b “unable to safeguard and keep our students and staff safe from local external safety threats” was not a risk that the College could manage directly. The College’s role was to make sure that students were aware of the external threats. The College had also stepped up its own security procedures.</p> <p>Three risks had had their net risk score reduced as follows:</p> <ul style="list-style-type: none"> • R2 ‘Inability to develop and implement strategies towards one organisation, one shared culture across both campuses’, the reduction in scoring followed the publication of the new 5 Year Strategic Plan, the effect of the December 2024 Executive restructure with the new Deputy Principal making consistent decisions across curriculum areas, supported by the experienced Quality Team and the start of the implementation of the People Strategy. • R3a ‘Unable to safeguard our students from internal safety threats, affecting their wellbeing’. As well as ensuring that the actions from last year’s Safeguarding Internal Audit had been completed, the new Interim Executive Director Student Services had conducted a review of the staffing skills, resources and cases and was satisfied that Safeguarding is effective. • R7 “Inability to recruit and retain staff”. The Ofsted outcome had seen an improvement in the quality of candidates applying for roles. The vacancy list was at its lowest level in the last five years and there were only 11 agency staff. <p>The Committee challenged the increase in the gross risk score for R5 “inability to meet OfS Conditions of Registration and to grow our own HE cohort”. The VPF&R explained that because of the funding-related time lag, the College’s B3 data was expected to be below benchmark until 2027/28. The low number of students on the College’s HE students meant that it was not eligible for capital funding and recruitment onto the HNC courses in 2024/25 had been low.</p> <p>Action: VPF&R to discuss the net risk score for R5 (HE) with the Deputy Principal</p> <p>The title of R4 “Inability to maintain student numbers, including adults, to meet national and London Skills Plan and curriculum changes, including AAQs and T levels” had been updated to include the potential loss of adult students to meet national and London Skills Plan’ following the College’s inability to gain in-year growth funding for adults and notification of a 3.3% reduction to the GLA’s Adult Skills Fund grant, which was likely to lead to reduced enrolments in 2025/26.</p> <p>There had been good progress against R6 ‘Inability to provide local employers opportunities to input to our curriculum, drive growth in apprentices and provide meaningful work experience placements’.</p> <p>The VPF&R reported that the DfE had announced an increase in the 2025/26 16-18 grant. This was likely to result in an additional £1.5m increase in the College’s main grant, which was helpful given the known reduction in adult funding and the possibility of reductions to other funding streams.</p>
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	<p>The Committee challenged whether the net-zero target specified in R10 “Inability to implement a detailed estates strategy which will enable us to meet the needs of a modern curriculum and net zero by 2030” was feasible. The VPF&R responded that the Mayor of London was still working to a 2030 deadline for net zero. At the request of the DfE, condition surveys would be taking place of all FE College estates. The College might have the opportunity to bid for more capital funding once this work had been completed, including for sustainability projects.</p> <p>The VPF&R reported that the College was retendering for consultants to develop a new estates strategy, which would include a detailed planned maintenance schedule.</p> <p>ii Future Deep Dives</p> <p>The Committee did not select an area of focus for a future deep dive.</p>
6.	<p>Internal Audit</p> <p>i) Internal Audit Progress Report</p> <p>The VPF&R had spoken to LR about the lack of onsite presence from RSM during internal audits in 2024/25 to date and the impact that had on the timescale for the internal audit process. LR confirmed that there would be onsite presence from RSM staff during future internal audits. The proportion of time onsite would depend on the particular audit.</p> <p>The Committee asked why RSM’s progress report had been circulated late. LR explained that the report could not be completed until the recommendations in the cyber security internal audit had been finalised.</p> <p>The remaining internal audits for 2024/25 were either in progress or had been booked in. The payroll audit would not take place until June 2025 because of year end and staffing changes.</p> <p>The Committee <u>noted</u> the progress report.</p> <p>ii) Compliance with the Financial Handbook (CFH)</p> <p>The Committee <u>noted</u> that the audit opinion was one of substantive assurance. Five low priority recommendations had been made. The CFH had been introduced wef 1 August 2024 following the reclassification of FE Colleges as public sector.</p> <p>The College was fully compliant with 70 requirements of the handbook and partially compliant with six. There were no areas where the College was not compliant.</p> <p>iii) Cyber Security Technical Controls</p> <p>This item was discussed in the Part 2 meeting.</p> <p>iv) Croydon College FE Benchmarking Report 2023/24</p> <p>This report was produced annually by RSM for all the FE Colleges where it provided the internal audit service. The number and level of recommendations from internal audits were not directly comparable as some Colleges identified more challenging areas for internal audit than others.</p>

	<p>The VPF&R noted that the College had had more partial assurance internal audits than the sector benchmark in 2023/24. However, the context to this was that the College had also had a number of advisory audits in 2023/24, which did not result in a formal audit opinion, plus a DfE funding audit, which had resulted in very few recommendations. Two internal audits reports in 2023/24 had split internal audit opinions with the partial assurance opinion relating to compliance with controls rather than the effectiveness of the controls, which had been given a reasonable assurance opinion.</p>
7.	<p>Standing Items</p> <p>i) Audit Recommendation Tracker 2023/24</p> <p>The College's internal audit progress tracker had not been brought to this meeting as RSM were currently completing a follow up audit of all the recommendations from the 2023/24 internal audit reports. The RSM follow up report would come to the next meeting.</p> <p>The College's internal tracker showed that out of 17 medium and 18 low recommendations in 2023/24, 28 had been completed. A request would come to the next meeting to extend the deadlines for six of the remaining recommendations. The seventh remaining recommendation was in progress, but the deadline had been missed.</p> <p>Action: RSM follow up report to come to the next meeting</p> <p>Action: VPF&R to bring a request to extend deadlines for six of the remaining internal audit recommendations to the next meeting</p> <p>ii) Report on fraud/corruption/whistleblowing and GDPR issues</p> <p>The VPF&R reported that there had been a GDPR issue relating to some information displayed internally. The DPO had spoken to the ICO, and this did not need to be reported as a breach, but the member of staff concerned would be completing additional training.</p> <p>iii) Report on any additional work required by Auditors</p> <p>The VPF&R confirmed that there was no additional work to report. The VPF&R also reported that the DfE was reviewing Colleges' financial records to identify any unspent bursary funding. Unspent funds could be carried over for a maximum of one year. Disclosure of the use of bursary funds was likely to be an area of increased focus across the sector.</p>
8.	<p>Value For Money Annual Report 2023/24</p> <p>The VPF&R reported that a number of curriculum areas were not contributing 50% or more to central costs. This was impacted by the number of students in a particular area and its overheads. The College's 2024/25 budget had recently been benchmarked against other similar sized London Colleges. Croydon College's budgeted surplus was 3% lower than the benchmark.</p>

	<p>This data had been used to benchmark the College's costs. Pay costs for 2023/24 had been 73% of income, which was over benchmark. Pay costs had been increased by the use of a significant number of agency staff in 2023/24</p> <p>The VPF&R asked PM to comment on PC usage, which was one of the College's largest capital costs. This information had not been available in time for the written report. During 2023/24 PC usage was 26% of the available time. For adult evening classes, PC usage dropped to 11%. This was due to a number of reasons including PC labs being booked for non-IT lessons. An objective had been set to increase teachers' use of IT in classes and to change the delivery mix in some curriculum areas.</p> <p>Teaching utilisation had decreased in 2023/24. Curriculum areas were being reviewed as part of the planning for 2025/26.</p> <p>There had been a number of tenders during 2023/24, some of which had resulted in significant savings.</p> <p>The Committee <u>noted</u> the value for money annual report for 2023/24.</p>
9.	<p>Updated Information Policy</p> <p>The VPF&R presented an amended information policy for approval by the Committee. This policy did not require Board approval. The information policy was published on the College website.</p> <p>This policy was updated every two years. Eversheds had been asked to review the policy following a number of recent FOI requests and were proposing a significant number of amendments.</p> <p>The Committee noted that any use of AI on College devices or personal devices used for College work purposes must be by express prior written approval from the Director of IT and Estates and no personal data or confidential information could be input into them.</p> <p>The VPF&R reported that the e-learning manager was developing an AI policy for the College and had provided training to staff and students on the risks of AI and how to protect their data.</p> <p>The Committee <u>approved</u> the updated information policy</p>
10.	<p>Private Discussion – Auditors and the Audit Committee</p> <p>LR indicated that there was nothing that she wished to discuss in private with the Committee. Committee members indicated that they had nothing they wished to raise privately with the internal auditor.</p>
11.	<p>Dates of Future Meetings</p> <p>Thursday 12 June 2025 5.00pm to 7.00pm– online – AMENDED DATE AND TIME</p>
12.	<p>Other Business</p>

