



Minutes of the Audit Committee Meeting held on Tuesday 10 June 2025 at 11.15am in the College Conference Room

- Present:** Sue Jarvis (*Co-opted Governor*)
Andrew Jones – Chair (*Co-opted Governor*)
Graeme Slater (*Foundation Governor*)
Amelia Southward (*Co-opted Governor*)
- In attendance:** Neil Clark (*WBG – Internal Auditor*)
Michelle Williams (*Vice Principal, Finance, Resources & Systems*)
Kevin Burke (*IT Manager*) – for part of meeting
Ruth Potter (*Clerk*)

PART 1

The Chair opened the Part 1 meeting and welcomed all attendees.

1. ROUTINE AND STANDING ITEMS

1.1 Declarations of interest

Members were invited to declare whether they had any direct or indirect personal, prejudicial or pecuniary interest or conflict of interest in any matter that formed part of the agenda for this meeting or was likely to be discussed at this meeting. There were no declarations made.

1.2 Apologies for absence

No apologies had been received. The meeting was declared quorate.

1.3 Items to be included under urgent business

There were no items of urgent business.

1.4 Minutes of the Audit Committee meeting held on 11 March 2025 (*previously circulated*)

The minutes were approved as a correct record and would be signed by the Chair in accordance with Article 12 (3) of the Articles of Government. The publication of the minutes was authorised in accordance with Article 13.

1.5 Matters arising from the minutes (*previously circulated*)

Committee members noted the action log prepared by the Clerk.

2. RISK MANAGEMENT

2.1 Risk Management Action Plan (*previously circulated*)

The Vice Principal presented this report and reported that the College's senior leadership team (SLT) had reassessed the risks facing the College and updated the Risk Register accordingly. The previously assessed significant risk on leadership and governance – related to the establishment of a permanent leadership structure – had been downgraded to a contingent risk due to permanent staff appointments. In addition, it was noted that applications had been received for the two outstanding Foundation Governor vacancies.

Other contingent risks included:

- admissions application system
- academisation
- T Levels and Level 3 reform
- recruitment and retention of staff
- digital capability and confidence of staff.

Discussion ensued on the development of the College's AI strategy and potential collaboration opportunities with the University of Liverpool.

Resolved:

- **That the updated Risk Register and action plan be noted and approved.**

ACTION – Liaison with University of Liverpool re. AI strategy

2.2 JISC Cyber Security Action Plan – update report *(previously circulated)*

The IT Manager presented this report and updated governors on progress made against the action plan. It was noted that on the main action plan, the overall completion rate stood at 68%. On the Microsoft 365 action plan, 93% of actions had been completed. Detailed updates were provided on all outstanding actions including an overview of all staff cyber security training as well as the IT Manager's progress towards CISSP certification (Certified Information Systems Security Professional).

Reference was made to the regular activities undertaken by the College's insurers to monitor data security, including phishing attack tests. Remedial action was taken as necessary in response to these regular reports. Discussion ensued on the recent high profile cyber attacks on UK companies and the awareness raising strategies employed to ensure continued vigilance across college.

Governor comments and questions were invited. Discussion ensued on the potential to purchase an IT health software package which would encompass key cyber security functions such as asset management, vulnerability scanning and patching. A point of clarification was raised and answered regarding the costs associated with this package.

The Committee thanked the IT Manager for his comprehensive report.

Resolved:

- **That the JISC cyber security action plan update report be received and noted.**

3. INTERNAL AUDIT

3.1 College management update report on previous recommendations and action taken *(previously circulated)*

The Vice Principal reported that since the last meeting recommendations had been brought forward from two internal audit reports: Equality, Diversity and Inclusion (February 2025) and Budgetary and Financial Reporting (February 2025). All recommendations arising from the EDI report had now been completed and one action from the Budgetary and Financial Reporting report remained outstanding. This recommendation related to budget holder training and the Vice Principal

confirmed that this was in development to be delivered at the beginning of the new academic year.

Resolved:

- **That the management update report on previous recommendations be received and noted.**

3.2 Staff Recruitment and Retention Audit Report (*previously circulated*)

Neil Clark presented this report and outlined the purpose of the audit which was to review the College's recruitment arrangements and the systems in place to assess the retention of staff. The scope of the review was outlined and it was explained that the Internal Audit team responsible for this review had conducted discussions with relevant staff, reviewed relevant documentation and, where appropriate, undertaken sample testing.

A total of one low grade recommendation had been raised. In addition, a number of good practice points were highlighted within the report. The Internal Audit opinion stated that the Governing Body could take strong assurance that appropriate staff recruitment and retention arrangements were in place across College.

The Chair thanked the auditor for his report.

Resolved:

- **That the Staff Recruitment and Retention Internal Audit Report be received and noted.**

3.3 Funding Review Audit Report (*previously circulated*)

Neil Clark presented this report and outlined the purpose of the audit which was to assess whether the College had complied with the 2024-25 funding requirements relevant to College's Department for Education (DfE) 16-19 funding and ensure funds had been used for the intended purposes. The objectives for the review included:

- to assess the adequacy of documented policies and procedures to record learner data in line with requirements;
- to review the underlying data and evidence supporting the funding claimed for the period August 2024 to April 2025 and confirm compliance with the 2024-25 DfE guidance.

The Internal Audit team responsible for this review had reviewed documentation and undertaken sample testing.

A total of one low grade recommendation had been raised. In addition, a number of good practice points were highlighted within the report. The Internal Audit opinion stated that the Governing Body could take strong assurance that appropriate 16-19 provision arrangements were in place across College.

With regard to the recommendation regarding the information captured in the learning agreement, the Vice Principal confirmed that the College was working with representatives of the Cedar system to ensure that it was able to address this issue in time for the new academic year.

The Chair thanked the auditor for his report.

Resolved:

- **That the Funding Review Internal Audit Report be received and noted.**

3.4 **Annual Follow Up Report** (*previously circulated*)

Neil Clark presented this report and explained that the Internal Audit follow up work was designed to provide the Audit Committee with assurance that the previous year's internal audit recommendations had been implemented in line with expected timescales. He went on to report that all five recommendations from 2023-24 had been fully implemented.

The Internal Audit opinion stated that the Governing Body could take strong assurance that the College had made appropriate efforts to implement previous recommendations.

Resolved:

- **That the Internal Audit annual follow up report be received and noted.**

3.5 **Internal Audit Annual Report** (*previously circulated*)

The Committee considered the Internal Audit 2024-25 Annual Report which provided a summary of the work undertaken by the Internal Auditor over the year. Neil Clark highlighted the following points:

- All audit reports had received a 'Strong' overall conclusion.
- The Internal Audit opinion was that the College had adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives.
- The Internal Audit opinion was that the College had proper arrangements to promote and secure value for money.
- When benchmarked against similar colleges the number of recommendations was lower than average.
- 20 days audit work had been completed as planned with fieldwork taking place between January and May 2025.

The Chair thanked the Internal Auditor for his report.

Resolved:

- **That the Internal Audit Annual Report be received and noted.**

3.6 **Internal Audit Plan 2025-26** (*previously circulated*)

It was reported that due to the ongoing re-tender exercise for Internal Audit services, the internal audit plan for next year was pending. The College's senior leadership team (SLT) had considered potential audit areas and these would be discussed with the newly appointed Internal Auditor in due course. In the meantime, the input of the Audit Committee and the incumbent Internal Auditor was invited. The Clerk referred members to the recently circulated RSM FE Emerging Issues report which provided a sector-wide insight into key risks and issues. In addition, the College's own risk register would be updated once the new strategic plan was in place.

Discussion ensued and it was noted that a final draft plan would be shared with the Audit Committee at its September meeting for consideration and recommendation to the Full Governing Body.

ACTION – agenda item at next meeting – Internal Audit Plan 2025-26

4. ANNUAL REPORTS

4.1 Fraud and corruption – annual review of incidents *(previously circulated)*

The Vice Principal highlighted the relevant College policies and confirmed that no incidents had been reported during the year.

Reference was made to the new failure to prevent fraud offence introduced by the Economic Crime and Corporate Transparency Act 2023 and enforceable from 1 September 2025. It was agreed that further checks would take place to ensure that the College was not in scope.

Resolved:

- **That the fraud and corruption annual incident report be received and noted.**

ACTION – Vice Principal to confirm whether College in scope for failure to prevent fraud offence.

4.2 Whistleblowing – annual review of incidents *(previously circulated)*

The Vice Principal and Clerk confirmed that no issues falling within the remit of this policy had been reported to the SLT or Clerk during the year.

Resolved:

- **That the whistleblowing annual incident report be received and noted.**

4.3 Freedom of information and data protection – annual review of incidents *(previously circulated)*

The Vice Principal referred governors to her report and confirmed that between 1 August 2024 and 10 June 2024, the College had responded to the following requests:

- 4 data sharing requests
- 2 freedom of information requests
- 1 subject access request
- 4 reports of data breaches.

An overview of the data breach incidents and action taken was provided. It was noted that GDPR training had been delivered to the Governing Body in July 2024 and was followed by all staff training in August 2024. The next scheduled staff training would focus on data protection and AI.

Resolved:

- **That the freedom of information and data protection incident report be received and noted.**

5. POLICIES

5.1 Business Continuity and IT Disaster Management Plans *(previously circulated)*

The Vice Principal presented the updated plans and highlighted the proposed amendments. She updated governors on the staff training and planned lockdown practice.

Resolved:

- **That the updated Business Continuity and IT Disaster Management Plans be recommended to the Governing Body for approval.**

ACTION – FGB agenda item

Committee members agreed to bring forward agenda items 7.1 to 7.3 for early consideration due to the Chair's time constraints.

7. COMMITTEE GOVERNANCE

7.1 Annual Review of Committee Cycle of Business and Terms of Reference
(previously circulated)

The Clerk referred members to the Committee's cycle of business which had been reviewed and updated to move the annual review of the business cycle and terms of reference to the Summer Term meeting. The updated cycle was confirmed and no further amendments were proposed.

Members were also invited to conduct an annual review of the Audit Committee's Terms of Reference. No amendments were proposed, however the Clerk notified members that the Audit Committee requirements previously set out in the Post-16 Audit Code of Practice had not been transferred to the new 'Framework and Guide for External Auditors and Reporting Accountants of Colleges'. It was understood that an updated version of the DfE's College Financial Handbook was due to be published imminently and this would contain the requirements surrounding Audit Committees. The Clerk reported that upon publication, the updated Handbook would be reviewed to ascertain if any amendments were required to the Committee's terms of reference.

Resolved:

- **That the Audit Committee cycle of business be updated as agreed.**

ACTION – (a) Update cycle of business

(b) Review updated College Financial Handbook to assess impact on Audit Committee requirements.

7.2 Election of Audit Committee Chair *(previously circulated)*

The sole nomination for the role of Chair was for Andrew Jones. The Committee unanimously agreed to appoint Andrew Jones to the role for the period 1 August 2025 to 31 July 2027.

Resolved:

- **That Andrew Jones be appointed as Chair of Audit Committee from 1 August 2025 to 31 July 2027**

7.3 Election of Audit Committee Vice Chair *(previously circulated)*

The sole nomination for the role of Vice Chair was for Sue Jarvis. The Committee unanimously agreed to appoint Sue Jarvis to the role for the period 1 August 2025 to 31 July 2027.

Resolved:

- **That Sue Jarvis be appointed as Vice Chair of Audit Committee from 1 August 2025 to 31 July 2027**

Andrew Jones (Chair) had to leave the meeting at this point. Sue Jones (Vice Chair) took over the chair.

6. REGULATORY UPDATE

6.1 DfE Updates (previously circulated)

Framework and Guide for External Auditors and Reporting Accountants of Colleges

The Vice Principal referred Committee members to the inaugural edition of the Framework and Guide for External Auditors and Reporting Accountants of Colleges which replaced the Post-16 Audit Code of Practice for accounting periods ending on or after 31 July 2025. The new Framework incorporated the pre-existing requirements and guidance of the Post-16 Audit Code of Practice insofar as they related to the audit and regulatory framework for colleges.

College Accounts Direction 2024 to 2025

The Vice Principal referred governors to the DfE's updated document 'College Accounts Direction 2024 to 2025'. This document set out the DfE's financial reporting requirements for sixth-form college corporations for the financial year ending 31 July 2025.

Good practice guidance for colleges and academy trusts on novel, contentious and repercussive transactions

Committee members were referred to this new guidance document published in March 2025 which aimed to clarify the concept of novel, contentious and repercussive transactions (NCR) and explain the associated requirements arising from colleges' reclassified status as central government bodies. The Clerk referred to the recent FE Commissioner intervention report on Weston College and noted that any planned transactions falling within the NCR definition would be reported to governors first by SLT before the College sought DfE consent.

Resolved:

- **That the DfE updates be received and noted.**

8. OTHER MATTERS

8.1 Governor training

Members were invited to update the Clerk on any training activities they had completed since the last meeting. No activities were reported.

8.2 Urgent business

None

8.3 Date of next meeting

Tuesday 23 September 2025 at 8.20am

The Vice Chair thanked all members for their attendance and contribution.

The meeting was brought to a close at 12.20pm.

Signed by the Chair:  _____

On this day: _____ 25 September 2026 _____