

**Minutes of the Audit Committee Meeting held in the KGV Board Room on
Thursday 19th September 2024 at 3.30pm**

Present: Mo Kundi (Independent Member and Committee Chair)
Laura Bell (Independent Member)
Diane Hutchinson (Independent Member)
David Mutori (Independent Member) (up to and including item 16)*

In Attendance: Paris Bonwick (AP MIS and Apprenticeships)
Lisa Farnhill (Dir. Governance and Compliance)
Paula Smith (Dir. Finance)
Andrew McCulloch (TIAA) (up to and including item 16)

Apologies: Jane Butterfield (TIAA)
Claire Dalrymple (Wylie and Bisset)

Absent: None

*Indicates attending through videoconferencing facilities

Minute No.	Minutes	Action
A.25.01	ITEM 1: WELCOME AND APOLOGIES FOR ABSENCE	
	The Chair opened the meeting by welcoming everyone and thanking them for their time. It was confirmed that those attending online could hear and be heard. Apologies were detailed and accepted.	
	<u>Item 1 – Accepted</u>	
A.25.02	ITEM 2: DECLARATIONS OF INTEREST	
	The Clerk declared an interest in relation to her role as the Data Protection Officer.	
	<u>Item 2 - Noted: The Committee noted the declaration.</u>	
A.25.03	ITEM 3: APPOINTMENT OF A COMMITTEE VICE CHAIR	
	Diane Hutchinson, as the Committee Vice Chair for 2023/2024 agreed to continue in the role. This was fully supported and approved by the Committee.	
	<u>Item 3 - Resolved: The Committee resolved to approve Diane Hutchinson as Committee Vice Chair for 2024/2025.</u>	
A.25.04	ITEM 4: APPROVAL OF THE MINUTES OF THE AUDIT COMMITTEE HELD ON 21ST MAY 2024	
	Members reviewed the minutes as circulated and agreed that they were an accurate reflection of the meeting held on 21 st May 2024.	

Item 4: Approved: The Committee resolved to approve the minutes of the Audit Committee meeting held on 21st May 2024.

A.25.05 ITEM 5: REVIEW OF PREVIOUS MEETING: ACTIONS AND IMPACT

The Committee received a summary of the actions and matters arising, noting where agenda items would provide additional detail.

Item 5 – Resolved: The Committee resolved to approve the impact statements and accepted assurances in relation to matters arising and actions taken since the last meeting of the Committee.

A.25.06 ITEM 6: CONFIDENTIAL ITEMS

Members noted, as indicated on the draft minutes, the review of the performance of the auditors would be maintained as confidential, along with details of commercially sensitive information in item 14.

Item 6 – Resolved: The Committee resolved to redact minute A.24.52 and paragraphs two and three from minute A.24.63 from the public copy of the minutes.

A.25.07 ITEM 7: KPI SCORECARD

The Vice Principal Business Services summarised the data, and in responding to a question about the high number of recorded health and safety incidents and accidents, confirmed the detail was addressed within the report presented to the Committee, with analysis having found no trends.

Item 7 – Resolved: The Committee resolved to accept the information, using it to direct and support discussions throughout the meeting.

A.25.08 ITEM 8: EXTERNAL AUDIT TERMS OF ENGAGEMENT

The Dir. Finance confirmed the draft presented had been updated and amended to take into account the College's new legal name. Members attention was drawn to the responsibilities of governors in section two and fees were confirmed to be in line with the contract.

Members asked if there were any concerns in relation to the timeframe, work of the auditors or findings to date, with it confirmed the working relationship remained strong and supportive, with work progressing well.

Members resolved to ask the Corporation to endorse the signing of the letter.

Item 8 – Resolved: The Committee resolved to recommend the Corporation approve the signing of the engagement letter.

A.25.09 ITEM 9: HEALTH AND SAFETY ANNUAL ASSURANCE REPORT

The Vice Principal Business Services advised the Committee that rather than having

been a termly report, the last report received had been an overview of all work year to date, due to having been the first from the newly appointed Health and Safety Manager, who had produced a report that summarised her findings of work to date including issues and gaps identified as an objective starting point, therefore this was similar in content, prepared as the annual report to be presented to the Corporation as essential information and assurance.

Members were advised of the positive impact of the new Health and Safety Manager, who had taken the time to get to know staff in each area, resulting in open dialogue, impartial risk assessments and the role seen in a supportive, not punitive capacity.

The Vice Principal Business Services provided a summary of the information and progress against the actions identified, including improvements to the testing plans for the coming year.

Members asked about the fire evacuation tests completed, including about the implications on staff and students of varying testing times, with it confirmed feedback would be sought on the issues identified as a result of the varied testing times, and any impact or risks this may present in the event of a live drill.

In response to the summary and analysis of accident and incident statistics, members asked about the reporting process, and were assured it had been simplified and made more accessible for staff and students, with plans to complete regular reminders following the training. The impact of staff availability, particularly at lunch time, was discussed in relation to student reporting.

In response to a member question, regarding reporting accidents or incidents to the insurers, it was confirmed there had not been any that necessitated reporting.

In discussing concerns over attendance to the Health and Safety Committee meetings, members were informed previous requests had been an invitation, with availability a barrier, however, meeting invites would now be issued with wording changed to make it clear there is an expectation that staff in certain roles must attend. In response to questions, it was confirmed that there was no longer any financial incentive for attendance as the requirement was built into roles within each area. Further questions and suggestions related to perception and positioning attendance as a development opportunity.

Members discussed the previously concluded action around anti stab kits, with options for funding for a second kit having previously rejected by Merseyside Police as the college was considered to be a single organisation, despite having two campuses. Members suggested that following the incident in the area over summer, options for funding for a second kit should be explored again, either via Merseyside Police, or through a charity such as KnifeSavers. It was agreed that if funding was not available, the college should look at whether it could be funding from existing budgets.

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Item 9 - Resolved: The Committee resolved to note the update and recommend the Corporation receive the annual overview as essential information for assurance purposes.

A.25.10 ITEM 10: CRITICAL INCIDENT TESTING AND INCIDENT UPDATE

The Vice Principal Business Services provided an overview of progress with simulated phishing attempts. Members were advised that the roll out was not carried out over summer as the impact would be minimised due to staff being on leave. Members agreed an in-term roll out would offer a more accurate reflection of strike rate and identification of training needs.

Members were assured by the training and support provided in the summer term, clarifying that any phishing simulation would cover staff and students, asking if there had been any live incidents in the reporting period, noting there had not been any phishing emails, although the firewall was blocking other types of infiltration daily, with no disruptions recorded.

Members were informed the insurance company had been commissioned to provide desk top testing for all other types of incidents, with the exception of those it would be impractical or dangerous to test, with plans to develop a new plan in response to the findings from the testing.

Item 10 - Resolved: *The Committee resolved to note the verbal update.*

A.25.11 ITEM 11: IT DISASTER RECOVERY STRATEGY AND REPORT

The Vice Principal Business Services advised that this was due for review in February, therefore would be presented for approval in December, with the current plan and risk register included for information. In highlighting the progress with simulating phishing as detailed under item 10, members were advised the outcomes of this would be reported on alongside the updated recovery plan, with the Cyber Essentials recertification to be completed within 6 months.

Item 11 - Resolved: *The Committee resolved to note the update.*

A.25.12 ITEM 12: INSURANCE PORTFOLIO

The Dir. Finance presented the report, with the Committee asking if the figures and coverage were sufficient and assumed values realistic.

Members were advised of the process used to calculate different elements and reassured that there were regular revaluations of the buildings and assets, with the insurers advised of the capital projects completed over the summer.

Members highlighted the significant cost to the college, noting that all policies were from a single provider, asking about the process for ensuring value for money. It was confirmed it was procured through a tendering exercise, with an action taken to find out when this was due to be re-tendered.

Dir. Finance

Item 12 – Noted: *The Committee resolved to note the assurances provided by the new report, subject to clarification of a regular review of the contract provider and tendering.*

ITEM 13: OTHER ASSURANCE REPORTS**A.25.13 Item 13.1. Website Compliance Report (termly update)**

Members were informed that the termly updates are done impartially and without warning to ensure they are a true reflection of the current position, with additional information and assurances then provided by the Director of Governance and Compliance, who is now overseeing the policy production and approval, and would produce future reports in the capacity of her new role, with members indicating this offered additional assurances.

Members were advised that although the number of outdated policies on the website was the highest it had been, this was due to the timing, with most policies reviewed over the summer and replaced early in the academic year. With the earlier reporting to the Audit Committee having resulted in a higher than usual number of areas considered non-compliant.

The Committee noted the two which had been outstanding throughout 23/24 were in progress, with the environmental reporting completed, and to be included in the financial statements. The work to review the accessibility of the website had concluded, and this now needed to be documented and included, with LDA (the website providers) having been consulted and the marketing team now being asked to draft and upload the statement.

Item 13.1 – Noted: The Committee resolved to note the report.

A.25.14 Item 13.2. Website Compliance Report (annual report)

Members agreed this accurately reflected the data overseen and provided sufficient information and assurances for the Corporation.

Item 13.2 – Resolved: The Committee resolved to note the report and recommended it is presented to the Corporation as essential information.

A.25.15 Item 13.3. Curriculum Efficiency Review Update

A summary of the review process and subsequent oversight of the recommendations was provided to the Committee, advising that in response to their request for regular reporting, the Resources Committee included this as a standing item, focusing on a different recommendation at each meeting.

Members commended the progress made, and the reporting, which was informative and concise, with the Vice Principal Business Services thanking the Dir. Governance and Compliance for her support and advice in providing the right level of detail.

Item 13.3 – Resolved: The Committee resolved to note the assurances provided by the report.

Minute No.	Minutes	Action
A.25.16	<p>Item 13.4. JCQ Audit</p> <p>Members were given a summary of the process, and reminded of issues identified in previous audits, being assured by the 100% compliance across both sites during this audit.</p> <p><u>Item 13.4 – Resolved:</u> The Committee resolved to note the assurances provided by the report.</p>	
A.25.17	<p>Item 13.5. OfS Audit and update on voluntary</p> <p>Members were provided with an overview of the audit process and issues logged with the OfS relating to sample size and relevance based on the request to be de-registered.</p> <p>Members were advised the areas of non-compliance related to Level 4 courses that are funded by the ESFA, not the OfS. The absent data fields were not required by the ESFA, however, as the college was registered with the OfS, the college should have collected and recorded this information as a condition of OfS registration, even though it was not related to an OfS funded course.</p> <p>Members were informed that following the audit, initially the College was asked to rectify this and resubmit the data, however, they have since confirmed that following de-registration, this is no longer necessary. Members were advised that the process provided the College with a better understanding of the data requirements, which will be beneficial should the college need to re-register for the LLE courses, with detail and information around this new policy still to be released, having been announced ahead of the change in government, then put non hold.</p> <p>In response to questions about the implications of the audit and voluntary deregistration, the Committee was assured that the College offered to rectify the data, and was informed of the cost savings following the de-registration. Members were informed that the OfS had still taken the fee, which was being reclaimed, with a deduction made for the one month of registration.</p> <p><u>Item 13.5 - Resolved:</u> The Committee resolved to accept the report.</p>	
A.25.18	<p>ITEM 14: INTERNAL AUDIT</p> <p>Item 14.1 Termly Review of the Implementation of Previous Recommendations</p> <p>Members were given a summary of the report, with questions asked about the exam’s recommendations, highlighting the outcome as being only ‘reasonable’ suggesting this was a contradiction to the positive outcome of the JCQ audit. Members were advised this was earlier in the year, reminding the Committee that exams ran throughout the year, and the recommendations although valid, had incorporated some recommendations relating to practices that had always been accepted by the exam Boards, which had been raised with the Committee at the time of the review.</p> <p><u>Item 14.1 - Resolved:</u> The Committee resolved to accept the update.</p>	

Minute No.	Minutes	Action
A.25.19	<p>Item 14.2 Internal Auditors Annual Report on the Progress Against Recommendations 2023/24</p> <p>Following the summary of the outcomes provided by TIAA, who confirmed they had no concerns following on from the review, members discussed at length the deferment of the IT policy actions. The Committee expressed concern over the actions that had been deferred twice, resulting in a new deadline of 2025, for policies in a fast paced area, some of which had not been updated since 2019.</p> <p>Members accepted and acknowledged the impact of staffing changes, and asked about barriers to completion, urging for this to be prioritised for an earlier conclusion, as a compliance matter. Discussion highlighted actions had been taken to address the recommendations, however, the delay in sign off predominantly related to communication, understanding the recommendation and action required, as well as logging the work done to address the recommendation, which would be rectified ahead of the next meeting. The VP Business Services agreed to contact TIAA and clarify the actions necessary to conclude the recommendation and bring the relevant policies to the Committee for review.</p> <p>The Committee noted other actions outstanding were related to the apprenticeship provision, and were in progress, and to a large extent had been completed, however, as a matter of prudence, the SLT had deferred marking as fully complete until the review and rationalisation of the provision to ensure the new policies and procedures took into account the current offer.</p> <p>A member who had been in attendance at the Apprenticeship Working Group, provided an overview of assurances given within that meeting that clearly indicated that policies and processes had been overhauled, suggesting that this action had been completed twice, once ahead of the Director of Curriculum Apprenticeships & Skills having been appointed , and then further reviewed and refreshed by the post holder.</p> <p>Members considered the implications of these improvements on student experience and discussed the potential for this to provide a more positive outcome in any subsequent Ofsted Inspection. The Committee was informed that the working party had been advised evidence and data was positive, and by January, the College would be confident any monitoring visit, or full inspection would see the full impact and results of the work done to improve the provision.</p> <p>A member asked if the College had an implementation plan for outstanding recommendations. The Committee was advised the timeframe for completion was agreed with the auditors, along with intermediary actions, in the form of management comments, which were within the individual reports circulated once the review concluded, however, acknowledged that this was then not seen again by governors, therefore when deadlines were missed or extended, milestones and additional assurances should be included in the covering report, with high level detail from any project plans where relevant.</p> <p><u>Item 14.2 - Resolved:</u> <i>The Committee resolved to accept the assurances provided by the update, subject to a further review and clarification of the IT recommendations.</i></p>	<p>VP Business Services</p> <p>Dir. Finance</p>
A.25.20	<p>Item 14.3 Annual Internal Audit Report 2023/24</p> <p>A full summary of the report was provided by TIAA, with attention of members drawn to the days worked, number of, and outcomes of the reviews undertaken and</p>	

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	recommendations made.	
	<i>Item 14.3 - Resolved: The Committee resolved to accept the report, agreeing this should be recommended to the Corporation as essential information.</i>	
A.25.21	Item 14.4 New Internal Audit Reports	
	The Dir. Finance confirmed no reviews had commenced, with TIAA assuring the Committee that all reviews for the 24/25 year had now been booked.	
	<i>Item 14.4 - Resolved: The Committee resolved to note the verbal update.</i>	
A.25.22	ITEM 15: RISK MANAGEMENT	
	Item 15.1 High Risk Action Plan and 15.2 Updated Risk Register	
	The Dir. Finance summarised the information, advising the Committee that the format had been reviewed and adjusted in line with feedback from the Resources Committee, with the suggestion clarified, as having been to support evidence of action and to provide governors with suitable assurances, particularly where risk ratings remain consistently high. Members noted the suggestion had been for a target risk rating to be added, along with further detail around impact and probability scores, and additional commentary.	
	In being advised this was a draft for comments ahead of being presented to the SLT for review of both the risk ratings, and to agree the new format, the Committee suggested that a review of the required level of detail, and most suitable format for providing assurances to the Committees would be best done at a cross-Committee meeting. The Committee asked that the opportunity is taken to invite members who had made suggestions for improvements, along with those with experience of risk management, are brought together to clarify the level of information necessary. Members agreed that mitigations and context were essential, however, did not want the register or accompanying report to become unmanageable or burdensome through the additional information.	Cttee, other members, Dir. Finance
	<i>Item 15 - Resolved: The Committee resolved to ask for a cross-committee group to be set up to consider the most appropriate level of detail for the risk register and supporting report.</i>	
A.25.23	ITEM 16: COMMITTEE SELF-EVALUATION 2023/24	
	The Dir. Governance and Compliance highlighted the progress made and drew the attention of members to potential areas for improvement.	
	Members discussed the need for succession planning, with members highlighting the importance of the Committee as the Board's only statutory Committee. proposing that the breadth of the work of the Committee is potentially misunderstood.	
	Members were reminded of the training opportunities available to address knowledge gaps, confirming these had which had been circulated by email and uploaded to the Governor Channel in Teams. A member asked TIAA if they would be able to provide training and resources, noting how highly skilled and knowledgeable the reviewer that undertook the Cyber Security Audit had been, noting this had been an area of concern for the Committee. The TIAA representative present confirmed that they could provide some information on training, confirming they would ask for details to be sent to the College.	TIAA/Dir. Finance

Members considered how best to address the timing of meetings, to ensure sufficient and regular oversight, without the timing of meetings negatively impacting staff wellbeing by adding further pressure at busy times of the academic year. Members asked if some of the work could be done in summer by full year staff and considered the benefit of delaying the first meeting of the year. Members noted the two-week half term in October, and holding Committee's ahead of Corporation had resulted in the earlier date and proposed as there was nothing that needed approving or reviewing by Corporation as a matter of urgency, the meeting could be later in October. In acknowledging this may then fall into half term, members agreed this was acceptable to them, if it was preferable for staff and prevented the pressure in September, agreeing that this could be decided by the staff that would need to be present.

Item 16 - approved: *The Committee resolved to note the reassurances provided by the report and approved the actions for improvement.*

A.25.24

REDACTED

A.25.25 ITEM 18: ITEMS TO BE REPORTED TO THE CORPORATION

Members noted the need to present for assurance, or seek approval relating to:

- Item 8: External audit terms of engagement (endorse and recommend the Corporation approve signing)
- Item 9.2: Health and safety annual report (for assurance)
- Item 13.2: Website Compliance Report (annual) (for assurance)
- Item 14.3 Annual Internal Audit Report 2023/24 (for assurance)

Item 18 - Resolved: *The Committee resolved to update the Corporation as outlined above.*

A.25.26 ITEM 19: DATE OF NEXT MEETING AND CLOSE

Members thanked staff for their reports and noted the next meeting date was confirmed as 3rd December 2024 in Southport.

Ahead of closing the meeting, members discussed at length the incident in the town during the summer, and the comprehensive response by the College, to support staff and students, ensuring enrolment and induction sensitively addressed any concerns.

A member asked if this is addressed by current health and safety policies, with it explained responses to such incidents fall within safeguarding policies and the Critical Incident Response Plan, however, it was highlighted that as discussed by the Committee when reviewing the plan and testing of the plan, it is hard to plan for and predict behaviour for unknown incidents, with the college needing to be reactive to the specific nature and risks faced. The Committee was given detailed insight into the college's response, which was described by members as a proportionate response, with a partial lockdown, with it explained how this was adapted from and different to the full lockdown as detailed in the plan. Members were then given details of new processes subsequently introduced to improve the general security of the site, with details of other incidents, including break-ins and the remedial works to prevent recurrences provided.

Members proposed a range of possible CIMP scenarios, with the Vice Principal Business

Services detailing how these would be responded to along with measures in place to minimise risks to staff and students. Following an outline of options considered but not taken forward due to risking contravening health and safety regulations, members confirmed they were assured by the College's appropriate response, although they considered if and where this should have been reported, suggesting it could have been included in the CIMP testing and incident report, agreeing that although it has now been concluded, and not necessarily a critical incident, an overview and assurances of the college response would have been valuable to the Committee, if only to evidence how well handled it was, and to document how procedures have changed as a result of what has happened.

Item 19 - Resolved: The Committee resolved to accept the assurances as a result of the colleges appropriate and proportionate response to incidents over the summer, asking for details of incidents to be included in the CIMP testing and live incidents report.

The meeting closed at 5.25pm