

# Minutes

## SEG Audit Committee Meeting - KGV

### Governor Meetings

Date 24/06/2025  
Time 11:00 AM - 1:00 PM  
Location King George V College Board Room Hybrid/Teams access available

Present Mo Kundi (Independent Member and Committee Chair)  
Laura Bell (Independent Member)  
\*Andy Bridson (Independent Member)  
Kevin Burke (Independent Member)  
Diane Hutchinson (Independent Member)

In Attendance Paris Bonwick (Vice Principal Business Services)  
\*Claire Dalrymple (Wylie and Bisset) (attended briefly ahead of item 20, confirming the actions relating to items 17 and 18 only)  
\*Ade Kosolo (TIAA) (excl. item 20)  
Lisa Farnhill (Dir. Governance and Compliance)  
Paula Smith (Dir. Finance)

Apologies: David Mutori (Independent Member)

\*Indicates attended via video conferencing facilities

## Agenda

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### 1 - Welcome

The Chair formally opened the meeting, welcoming all members and attendees. Brief introductions were made, particularly for the benefit of those who were new to the Committee. The Chair emphasised the importance of open and honest communication throughout the meeting.

Thanks were extended to all attendees for their time and participation.

#### Item 1: Noted

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### 2 - Apologies for Absence

Members noted and accepted apologies for absence from those who were unable to attend the meeting.

**Item 2: Accepted** – Members accepted the apologies of those unable to attend.

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### 3 - Declaration of Interests

The Chair invited members and attendees to declare interests relevant to items on the agenda. Nothing was declared.

#### Item 3: Noted

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### 4 - Approval of Minutes

The Chair presented the minutes of the meetings held on 6th March 2025 and 19th May 2025 for approval. Members confirmed that the minutes were an accurate representation of the meetings held.

**Item 3: Approved** – The Committee approved the minutes of the meetings held on 6<sup>th</sup> March 2025 and 19<sup>th</sup> May 2025

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## 5 - Reviewing the Impact and Actions of the Previous Meeting

The Director of Governance and Compliance provided an update on progress against matters arising from previous meetings. Key points included:

- **Cyber Essentials Recertification:** The certification process has been completed successfully.
- **Website Accessibility Compliance:** The website for both campuses were confirmed to now be compliant in relation to accessibility.
- **Fire Evacuation Times:** The fire brigade had been contacted regarding evacuation times. It was noted that there is no specific recommended evacuation time, as it varies depending on the location of the fire. The importance of reviewing outcomes after each fire drill was emphasised.
- **Smishing:** Measures have been implemented to minimise the likelihood and impact of smishing, including requiring parental login through the system for communications.

Members reviewed the actions, questioning the process and requirements relating to cyber essentials certification, then discussing at length the procedure for assessing and setting fire evacuation times. The committee discussed the importance of conducting regular reviews and drills to ensure safety and compliance, whilst recognising and mitigating risks in a controlled environment. Members sought assurance that the college was not exposed to undue risk by failing to meet target evacuation times and clarified that this was externally verified regularly by the fire service. Members were assured that every drill results in a full review to identify areas for improvement, with examples given of risks identified and improvements made following recent drills, and plans to widen the scope of drills to include different times to ensure the evening population had experience of drills.

**Item 5: Accepted** – The Committee accepted the assurances offered by the updates and approved the impact statements .

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## 6 - Confidential Items

The Chair confirmed that the minutes highlighted from the 6<sup>th</sup> March meeting should be held as confidential and agreed that all of the minutes of the extraordinary meeting of May19<sup>th</sup> should be maintained as a confidential set of minutes. The Committee agreed that no items on the current agenda needed to be marked as confidential.

**Item 6: Approved** – The Committee agreed that the highlighted sections from 6<sup>th</sup> May and all of the minutes from the 19<sup>th</sup> May should be redacted from the public minutes.

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## 7 - KPI Scorecard

The VP of Business Services provided the KPI scorecard to support areas of focus throughout the meeting. Members noted that this was for information purposes.

Members asked about the increased number of Subject Access Requests in May, being advised these were unrelated, with the increase being coincidental. In response to a question about the breach, members noted that this was an item reported as a breach, and reported on the breach log, however, an investigation had established this did not constitute a data breach, with an overview of the circumstances outlined.

**Item 7: Noted**

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## 8 - Internal Audit Reports

TIAA presented the findings from the internal audit on Apprenticeships. The scope of the review was outlined, with members noting the primary focus was on ensuring alignment with local needs and verifying the robustness of apprenticeship delivery, including procedural compliance. In response to questions, TIAA clarified that the audit was thorough, involving discussions with key officers and evidence from Southport College, however, acknowledged there was limited involvement of external partners. Members were assured that the learner records were selected randomly, with some targeted sampling based on specific concerns. Members challenged the lack of recommendations, however, were assured the process had been rigorous, with no recommendations identified, which was seen as a testament to the improved performance and effective management of the apprenticeship programme.

Members were advised that the review of admissions and enrolment had concluded, however, the report had not yet been finalised for circulation. Members noted that this also found many areas of good practice, and had no recommendations.

Members challenged this further, asking about the frequency of reviews with an absence of recommendations, with concerns about whether the audit was sufficiently thorough or if the substantial assurance indicated exceptional performance. TIAA reassured the committee that the lack of recommendations was indeed rare but not unprecedented. The TIAA representative confirmed that she had undertaken the admissions and enrolment review, advising it had been thorough, with many areas reviewed at length, with care taken to ensure an accurate and appropriate scope. Members asked again about the apprenticeships review, highlighting this had been an area of concern particularly during the Ofsted inspection, therefore were surprised nothing could be improved.

The Committee members were informed this was a review of procedural compliance, rather than quality, and reflected significant improvements since the last audit. Members asked about the time elapsed since the last audit and the number of recommendations received during the previous review, with the Dir. Finance providing a summary. In asking about the comment in the review about failing to meet recruitment targets, a member highlighted how reduced recruitment had been a strategic intention, to reduce the offer to focus on quality. It was clarified that this lower target had not been met, with the Resources Committee having been kept updated regarding the impact on income.

**Item 8: Resolved** – Having challenged the findings, and sought assurance regarding the robustness of the reviews, the Committee resolved to accept the assurances provided by the reviews undertaken.

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## 9 - Implementation of Audit Recommendations

The Dir. Finance presented the report on the implementation of previous audit recommendations, highlighting the progress made since the last meeting. The report detailed the closure of five recommendations from the 2024/25 audits and the ongoing certification for Cyber Essentials, which had been closed off since the report was drafted.

The Committee noted the remaining recommendations related to cyber security and would be addressed during the next development week.

The discussion included an update on the Cyber Essentials certification process, noting the basic accreditation was a self-certification process, required to comply with DfE funding requirements. The Committee acknowledged the importance of maintaining this certification to evidence a proactive approach, avoiding disruptions in service as well as a requirement for funding.

**Item 9: Resolved** – The Committee resolved to accept the update.

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## 10 - Internal Audit Plan for 2025/26

The Dir. Finance outlined the draft annual internal audit plan for 2025/26, confirming that it had been developed in collaboration with TIAA. Members noted that the proposed plan included audits on governance, quality, diversity and inclusion, risk management, creditor payments, and treasury management. The Committee discussed the necessity of including governance in the audit plan, given two recent external reviews that had provided positive feedback and evidenced effective practice.

The Committee debated the prioritisation of audit areas, considering the strong performance in governance and the need to focus on other critical areas. The Dir. Governance and Compliance explained the difference between

an external review of governance and likely scope of an internal audit, with the external review a requirement of funding, with a broader scope, covering relationships and culture, with an internal audit more likely to focus on compliance. Members emphasised the importance of gaining value for money and ensuring the audits are reviewing priority areas. It was agreed that as an audit of governance had not been undertaken in the last cycle, this could be included to ensure ongoing compliance, however, asked that care is taken to ensure the review is completed during the quieter time during January and February.

The Committee agreed to proceed with the proposed audit plan, with a focus on areas that would benefit from further scrutiny and enhancement, including finance, due to the implementation of the new system.

**Item 10: Resolved** – The Committee resolved to accept the recommended plan, recommending it to the Corporation for approval.

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## 11 - Annual Report of the Internal Auditors

The Committee received the annual report from the Internal Audit Service, which included a follow-up review of previous recommendations. Members noted the report highlighted the progress made in implementing past recommendations and provided substantial assurance on the effectiveness of the internal controls.

Members were advised that no new recommendations were identified, which was seen as a testament to the improved performance and effective management of the audited areas.

**Item 11: Resolved** – The Committee resolved to accept the assurances provided by the report and recommend this as essential information to the Corporation.

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## 12 - Risk Management

The Director of Finance presented updates on high-risk changes, the Risk Register, and the Risk Management Policy and Risk Mapping. The discussion focused on the current high risks, including the failure to manage quality, critical incidents, recruitment of new staff, and high persistent sickness levels. The committee reviewed the assurances in place to manage these risks and the proposed reforms to the Risk Register format for 2025/26.

In response to questions, the Dir. Finance and Vice Principal Business Services provided detailed explanations on each high-risk area, highlighting the measures taken to mitigate risks and the expected outcomes, with the Committee focusing on the risk relating to managing quality. The Committee highlighted evidence of improved quality management processes, asking if this needed to be reflected by a lowered score. They discussed the implications of quality management, particularly in relation to apprenticeship outcomes and the impact of changing frameworks. The Vice Principal Business Services assured the committee that the risk levels would be reassessed following the release of results in August, and again following verification of results in October, with the expectation of reduced risk if positive outcomes were confirmed. Members were informed improved results would see the score lowered, however, not removed, as it would remain on the risk register as something that needed to be continually monitored.

**Item 12: Resolved** – The Committee resolved to accept the assurances provided by the report and recommend the policy updates to the Corporation for approval.

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## 13 - Critical Incident Management Plan

The Vice Principal Business Services presented the draft Critical Incident Management Plan, outlining the procedures for managing various types of incidents and ensuring business continuity. Members were informed that this had been a full re-write, with the plan now clearly outlining what a critical incident is, and procedures for managing them, supported by more operationally detailed business continuity plans for different areas of the organisation. Members were informed the plan included detailed continuity plans for all key business areas including IT, finance, estates and curriculum, with a focus on maintaining operations during critical incidents.

The Vice Principal Business Services emphasised the importance of clear communication and rapid decision-making during such events, which had been highlighted within the scenario based critical incident testing run by

the insurers. The testing was described as a positive experience, demonstrating a clear focus on students, with the two campuses a clear benefit for maintaining operations, however, had highlighted a need for additional training for wider management. Members noted this would be done without the presence of the Senior Leadership Team (SLT), to ensure other staff were able to lead should the SLT be unavailable. Members were assured that similar exercises would be run with the College Management Team (CMT) and teaching staff to ensure preparedness.

Members discussed the draft plan at length, suggesting a need for stronger integration of the communications team throughout the plan, with it proposed their expertise and support would be vital, particularly in relation to ensuring timely and appropriate updates and managing rumours, freeing up the Principal and senior staff to manage strategic decisions. It was suggested that a communications flow chart would be beneficial for ease of reference and to support staff in following the plan.

Incidents that restrict communication methods were discussed, noting the availability of radios between the two sites, and acknowledging that an incident so severe that internet and phone services were impaired across both sites would be at a level where the police, fire or council would have taken charge, and it would be their critical incident management teams leading. Members asked about damage limitation, including the moving of items upstairs in the event of a flood, being advised that health and safety would take precedence over minimising damage.

Members asked about availability and storage of the plan, as well as staff awareness and training. They were informed a paper copy is always maintained by reception at each site, as well as stored digitally. Whilst being advised that awareness may be limited at present, the Committee noted training would be delivered over the summer, followed by recirculation of the updated document to all staff.

In reflecting on the incident in the town the previous year, and the College's management of that and the subsequent demonstrations held locally and nationally, they considered staff responsibilities, and asked about governor responsibilities. Members clarified that statements are provided to ensure staff and governors do not make press statements without authorisation.

Members asked that the plan incorporated incidents occurring offsite, like students caught up in an incident whilst on a trip and asked that welfare of the animals is also included. Whilst acknowledging staff safety would be the priority, in the event of a critical incident closing the KGV site, members proposed there still needed to be plans in place for the animals. The Vice principal Business Services proposed that the Animal Management Team would already have a localised plan, agreeing reference to this did need to be integrated into the main plan.

Members expressed concern over intruder and lockdown communication plans, noting this section will be rewritten when the Tannoy system is introduced, with the functionality and benefits outlined, and the proposed zoning reviewed.

The Committee discussed the evolving nature of the plan, agreeing that it should be live and continually updated, asking that when updated to reflect the recommendations made, relating communications, offsite incidents and the animals, the draft is represented to the Committee.

In concluding, the Committee expressed their gratitude to the Vice Principal Business Services for the extensive work that had gone into the redraft, and his evidential knowledge, adding they felt assured he had approached the redraft with diligence, asking that the rest of the management team are supported in understanding their role should he be unavailable in the event of a critical incident.

**Item 13: Resolved** – The Committee resolved to recommend the Corporation approve the updated plan subject to the inclusion of references to incidents offsite, animal welfare and more prominent inclusion of the communications team's role throughout.

**Task:** Integrate detailed communication strategies for external visits into the Critical Incident Management Plan. Ensure the animal management personnel have a localised plan, and embed reference to it into the main plan, and ensure incidents offsite are included. Present updates to the Committee.

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## 14 - Any Other External/Funding Audits (e.g., LCR)

The VP of Business Services provided an update on the outcome of the Multiply Audit conducted in March. Members noted the report had been received, and comments submitted to the recommendations, however, these had not yet been accepted.

Members expressed concern over the number of recommendations and format of the report, which indicated significant issues, when further review revealed that the issue predominantly related to the use of an incorrect logo.

Members expressed concern over the unnecessary inclusion of student names in the report, accepting that although it was marked as sensitive, they proposed the use of names was not required. They highlighted how student numbers or reference to where details could be found of the sample would have been sufficient for the report's purposes, suggesting it could be seen as a breach of GDPR in terms of the data minimisation principle. The VP assured the Committee that data sharing agreements are in place and emphasised the need for student data protection, assuring the Committee this was unlikely a breach but could be raised as a concern.

In concluding, members were assured that the logo would be corrected, and confirmation would be provided once the comments have been accepted along with any further communication to ensure the audit's conclusions are understood.

Ahead of closing the item, the Vice Principal Business Services informed the Committee that a further LCR funding audit had commenced, with a wider scope, with this ongoing and expected to be completed by October.

**Item 14: Resolved** – The Committee accepted the update on the Multiply Audit and agreed to receive further information via email if necessary.

**Task:** Confirm the comments were accepted, and feedback regarding use of student names

**Task:** Provide updates on the ongoing LCR funding audit as needed/present final outcome when available

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## 15 - Updated DfE Guidance

The Director of Finance presented the updated Department for Education (DfE) documentation outlining statutory requirements for College Corporations. The update included changes to the College Accounts Direction, issued in March 2025, specifying how accounts should be presented and what notes should be disclosed. The Dir. Finance highlighted changes in the new edition, including Department for Education replacing the ESFA and new disclosures and signing arrangements.

The updated Post-16 Audit Code of Practice (ACOP), now called the Framework for External Auditors and Reporting Accountants of Colleges, was discussed. Members noted the new framework is more operational and less useful for governors, focusing primarily on auditors' requirements. The Committee expressed frustration with the new framework, noting that it does not provide the necessary guidance for governors. The Director of Governance and Compliance advised that it was hoped that Financial Handbook, which had not yet been updated, would incorporate the information lost from the ACOP, providing more clarity and direction for the work of the Committee.

It was clarified the Financial Handbook was different to the College Financial Planning Handbook, which had been updated to include the budget and annual budget process, with a comprehensive spreadsheet for financial forecasting to ensure colleges maintain financial health.

The Committee requested access to the updated documents and links, which the Dir. Finance confirmed were embedded into the report, asking members to contact her if these did not work.

**Item 15: Accepted** - The Committee accepted the updated DfE documentation and requested access to the updated documents and links.

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## 16 - Audit Committee Work 2025/26

The Director of Governance and Compliance presented the schedule of business for 2025/26 and updates to the Committee's Terms of Reference for review and approval.

Members noted the schedule had been based on the previous years' work, with adjustments to ensure compliance with new guidance. Members considered whether the postponement of the May 2025 meeting to June impacted the planning for the Autumn term. The Committee discussed the timing of external audit plans and agreed to consolidate the work of the two autumn meetings, into one meeting in November.

The Dir. Governance and Compliance highlighted the importance of reviewing the terms of reference, advising that they may need further updates once new guidance is released. The Committee agreed to approve the terms with a further review at the next meeting, if required. The Committee confirmed the meeting times and locations, ensuring accessibility for all members.

**Item 16: Resolved** - The Committee approved the updated calendar, consolidating the two autumn meetings into one. They agreed to seek Corporation approval the Terms of Reference with a caveat there may be additional updates required.

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## 17 - External Audit Plan for 2024/25 Financial Statements

The External Audit Plan for the 2024/25 Financial Statements was presented, including proposed fees. Members noted the plan outlined key dates for the audit fieldwork, starting on 22<sup>nd</sup> September, with on-site presence for two to three days. Members were advised that the audit closing meeting is set for 20<sup>th</sup> October, ensuring the accounts are ready for the Resources Committee meeting in November.

The Committee reviewed the audit plan and memorandum, noting that it was similar to the previous year, with relevant updates removing the ESFA references, replacing them with the DfE. The Committee noted the plan included detailed procedures for auditing financial statements, ensuring compliance with statutory requirements. The Committee expressed satisfaction with the proposed timeline and fees, however, noted reference to another college, asking that this is updated ahead of recommending the plan for approval.

**Item 17: Approved** - The Committee agreed to recommend the External Audit Plan for 2024/25 Financial Statements for approval subject to the college name being corrected.

**Task:** Ask WB to update the college name ahead of recommending the External Audit Plan for 2024/25 Financial Statements for approval.

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## 18 - Audit Engagement Letter (External Audit)

The Audit Engagement Letter was reviewed, noting the letter included details of the audit scope, fees, and responsibilities of both parties, to be signed by the College.

The Committee confirmed that the engagement letter is consistent with previous years and meets the necessary requirements. The Committee agreed it should be recommended for Corporation approval and management signing subject to the College name being corrected.

**Item 18: Approved** - The Committee approved the Audit Engagement Letter for management signing once the name is updated.

**Task:** Sign the Audit Engagement Letter to formalise the agreement for the external audit once updated and approved by Corporation.

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## 19 - Items to be Reported to Corporation

The Dir Governance and Compliance summarised items from the meeting to be reported to the Corporation. Key items included the approval of the internal audit plan, updates to the risk management policy, and the Critical Incident Management Plan. Other items included updates to the Committee's terms of reference and the external audit documents, as well as the Chair agreeing that the discussions and challenge around internal audits should be fed back.

The Committee agreed to report these items to the Corporation, ensuring transparency and compliance with statutory requirements.

**Item 19 - Approved:** The committee agreed to report key items from the meeting to the Corporation.

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TIAA left after this item

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## **20 - Date of Next Meeting & Close**

The Chair confirmed the date of the next meeting would be determined following the Corporation's approval of the business cycle in July.

REDACTED

The meeting concluded at 12.45pm.

**Item 20: Resolved -** REDACTED