

**Minutes of the Audit Committee Meeting held in the Southport College Conference Room
Wednesday 6th December 2023 at 3.30pm**

Present: Mo Kundi (Committee Chair)
 Alex Barton (Independent member)
 Laura Bell (Independent member)
 Diane Hutchinson (Independent member, reappointed as Committee Vice Chair under item 4)
 Carla Kennaugh (Associate member)

In Attendance: Paris Bonwick (VP Business Services (from item 4 up to and including item 8)
 *Jane Butterfield (TIAA) (via MS Teams)
 *Claire Dalrymple (Wylie & Bisset) (via MS Teams) (up to & including item 12)
 Lisa Farnhill (Clerk)
 Paula Smith (Dir Finance) (from item 4)

Apologies: None

Absent: None

The meeting was held onsite. Those marked with an * attended virtually via MS Teams.

Minute No.	Minutes	Action
------------	---------	--------

A.24.01 ITEM 1: WELCOME AND APOLOGIES FOR ABSENCE

The Chair opened the meeting by thanking everyone their time and attendance.

The Clerk confirmed no apologies for absence had been received.

Item 1 – Noted:

A.24.02 ITEM 2: DECLARATIONS OF INTEREST

The Clerk reminded the Committee she was also appointed as the College DPO.

Item 2 - Noted: *The Committee noted the interest declared.*

A.24.03 Item 3: Private Meeting Between the Audit Committee and The Auditors

Redacted

Item 3 Resolved: Redacted

A.24.04 ITEM 4: APPOINTMENT OF A COMMITTEE VICE CHAIR

Members approved the appointment of independent member Diane Hutchinson as the Committee Vice Chair for 2023/2024. Members clarified the term of office of the current Chair as an independent member. The Committee

was assured by the actions of the Governance Committee in developing a succession plan to minimise the risks relating to governor term dates.

Item 4 - Approved: *Members resolved to approve the appointment of Diane Hutchinson as Committee Vice Chair for 2023/2024.*

A.24.05 ITEM 5: MINUTES FOR APPROVAL

Members reviewed the minutes as circulated and agreed that they were an accurate reflection of the meetings held on 22nd May 2023 and 20th June 2023.

Item 5 - Approved: *The Committee resolved to approve the minutes as an accurate record of the meetings held on May 22nd 2023, and 20th June 2023.*

A.24.06 ITEM 6: MATTERS ARISING/ACTIONS SUMMARY

It was noted that Standards had been asked to include staffing risks, and although discussed in reports in the context of impact on student experience, the risk itself was still not listed in the review of risks, therefore the committee did not have sight of the risk rating and movements. The Committee was informed that during the meeting of the Standards Committee, the previous day, this had been raised, noting that inclusion did not mean they owned the risk, which was assigned to Resources, but had sight of it due to the impact on their work. The Committee asked the SLT to either split the risk, in terms of resource and student impact, so that this was allocated to the relevant committee, or ensure this was included in future reports for both Committees.

The Clerk confirmed the only other outstanding item was relating to a fraud champion. Members noted the former Head of Finance had agreed to act as Fraud Champion, however, had since resigned, therefore this needed to be reassigned and would be discussed with the Dir. Finance, who indicated they had someone in mind who would be suitable.

Item 6 - Noted: *The Committee noted the update.*

A.24.07 ITEM 7: CONFIDENTIAL ITEMS

The Committee agreed item 15, minute A.23.81, should be redacted from the public version of the minutes, with the remaining information to be published in the interests of transparency. Members concluded the earlier private meeting with the auditors needed to be held as a confidential minute. The Committee Chair asked members to draw attention to any information considered to be confidential as the meeting progressed.

Item 7 – Approved: *The Committee resolved to approve the minutes for publication.*

A.24.08 ITEM 8: KPI Scorecard

The Clerk confirmed this was included for information and used to direct discussion to areas of risk, rather than being an item for review and discussion.

Members indicated that the report was useful, however, as presented, it was incomplete, offering less oversight and assurance than expected. Members asked the VP Business Service to expand on the detail provided. It was

explained that this was an overview, with the detail to be provided in reports throughout the year, however, there was missing data as the health and safety information had been delayed due to the officer post being vacant. It was also proposed that health and safety and data protection related matters could not be RAG rated.

The VP Business Services confirmed health and safety had been flagged as an increased risk at the last review of the risk register, due to the resignation of the H&S Officer, with this position now filled. Members were informed, it was considered prudent to leave the risk rating raised until the appointee was secure in their new role. The Committee were advised the increased logging of incidents had been a target of the last H&S officer, to ensure the team could examine the information to identify any patterns. Emphasis was placed on the importance of having high numbers of reported incidents to ensure comprehensive oversight.

The committee discussed the appropriateness of RAG rating for Health and Safety and FOI matters, agreeing that although numbers did not need to be RAG rated, any breaches, concerns, or missed deadlines could be represented by the colour coding, asking more consideration is given to this ahead of the next report.

VP Bus. Serv.

Members discussed the changes observed year on year in Subject Access Request (SAR) breaches and Freedom of Information (FOI) requests. Members acknowledged the varying complexities of these matters, with some requiring an extended period for resolution. The question was raised whether additional detail was necessary, particularly concerning the possibility of incorporating elements related to resource commitments.

A query was raised regarding Health and Safety Executive (HSE) reportable incidences, with a specific mention of one Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) incident. The Committee sought clarification on when detailed information regarding this incident would be available, anticipating a report in the next report to the Committee.

The committee concluded the discussion by highlighting the importance of maintaining a comprehensive approach to risk management and committing to ongoing oversight of H&S and FOI matters. The need for a detailed report on HSE reportable incidences, including the RIDDOR incident, was acknowledged, and the committee expressed its expectation for timely information to be included in the next report.

Item 8 - Resolved: *The Committee resolved to note the update.*

A.24.09 ITEM 9: ANNUAL REVIEW OF THE CO-ORDINATION OF THE COLLEGE'S AUDITORS

The Chair confirmed that although each service could not rely on the work of the other, the audit firms continued to communicate and use one another's

findings to ensure no duplication or gaps with shared output. Both audit services agreed to maintain the open dialogue as had been initiated with the previous Internal Audit Service.

The Chair reminded the auditors he too was available to discuss any matters between meetings, confirming they had his email address, and offering his phone number to the Audit Partners.

Item 9 - Resolved: *The Committee resolved to note the position.*

ITEM 10 FINANCIAL STATEMENTS

A.24.10 Item 10.1 Financial Statements Auditor's Management Letter - 2022/2023

Claire Dalrymple of Wylie and Bissett was invited to take the Committee through the report. The annual report was summarised, confirming it was presented in a similar format as the previous year, which would remain in draft until receipt of the final documents required from the college.

The Audit Partner worked through each section of the report, highlighting how section 4.7 had been introduced in response to the requirements relating to the ONS decision to reclassify colleges as Public Sector Bodies.

The Committee was assured that the expectation was for the final report to be an unmodified audit report, with the only updates being the removal of section 1.2 and wording updated to reflect that they had given an unmodified opinion, with 'expected to' and 'draft' removed. They advised the Dir Finance had reduced the list down to two points, with a further one cleared earlier that day, now ready to be reviewed and signed off by the Audit Partner.

Members attention was drawn to the recommendations, with none carried forward and one new one relating to credit card use and reconciliation.

In concluding, members were advised that there were no concerns and sign off and submission expected on time, with thanks to the Dir. Finance for her work in locating and submitting all the required information whilst settling into her new role.

Members asked for their formal concern over the outstanding items list, as included in the report they received, to be formally recorded, indicating their discomfort at recommending the Corporation approve the report when it included so many outstanding items. Items of particular concern were the cashflow, and related party transactions, raising concerns around the going concern statement. Members asked for additional reassurances to enable the Audit Committee to feel confident in their recommendation, asking if there was anything that they needed to be aware of ahead of considering recommending approval. The Auditors assured the Committee that everything had either been received and signed off, or was in the process of being reviewed, with it reiterated that nothing of concern had been observed, with this having been an issue over timing of the sign off of the outstanding items and report circulation. Members were assured that if the final review of the two remaining items

indicated any cause for concern, this would be raised with the Committee via the Clerk to the Corporation immediately.

Members asked if the timing of the meeting needed to be amended for the next academic year, with the Clerk confirming this year it had been delayed by a week compared with the last academic year, with no possibility to delay any further due to the need to have Corporation after the Committee and ahead of the Christmas break. The Auditors and Dir. Finance assured the Committee that the issue would not arise next year as the information would be easier to locate, with delays having only been as a result of the audit taking place within weeks of the appointment of the Dir. Finance, with both the VP Finance and Facilities and Head of Finance having left ahead of or during the Audit.

Members asked for clarification that the auditors had reviewed and tested controls relating to material revenue streams, with it clarified this was a walk through rather than control testing for every revenue stream, looking at the controls in place when completing the audit planning.

In concluding, sections for approval and signing were reviewed, including the management letter and letter of representation. The Committee were assured that there were no indications or expectations that there would be a delay in completion, with the Dir. of Finance having sent through additional information as requested. Members asked for further assurances that there were no concerns in relation to the going concern position ahead of agreeing to recommend the document for approval and signing.

Item 10.1 – Resolved: *The Committee resolved to recommend the report to the Corporation as essential information, with the management letter and letter of representation to be presented for approval and signing.*

A.24.11 Item 10.2: Regularity Self-Assessment Questionnaire (RSAQ)

The Committee were advised that the auditors had reviewed and were satisfied with the responses provided to the RSAQ. Members were assured of ongoing financial safeguards and processes utilised during the closure, as tested by the IAS to provide additional assurance.

Members attention was drawn to the updates, which were predominantly in response to the ONS decision to reclassify colleges as Public Sector Bodies, with all requirements embedded into the RSAQ to ensure all requirements were met and overseen by the Corporation.

It was clarified that once approved by the Corporation, a signed copy would be provided to the Auditors.

Item 10.2 – Resolved: *The Committee resolved to recommend the self-assessment to the Corporation for approval and signing.*

A.24.12 Item 10.3: Report on the Consideration of Fraud and Irregularity

The Dir Finance informed the Committee that the information as summarised in the report had been reviewed with the auditors, with the Committee having had full sight of the detail of the recorded incidents and mitigations put in place to prevent any further incidences. Members noted they were assured that the controls in place were strong and had been reviewed by the link governor during a recent visit.

Members were reminded of the details of the incident, with no loss incurred and tighter controls put in place following the incident.

Item 10.3 - Resolved: *The Committee resolved to recommend the report as essential information to the Corporation.*

A.24.13 Item 10.4: Financial Statements – 2022/2023

The Dir Facilities confirmed as indicated by the auditors, this was a live document, with adjustments being made and the final draft being prepared for presentation to the Auditors ahead of the meeting of the Corporation.

Committee members were assured of a thorough review and interrogation by the Resources Committee with the latest version in the Committee pack incorporating the recommendations of the Resources Committee and requests for amendments by Wylie and Bissett. Members noted further consideration had been given as to how and when any information relating to the recent Ofsted inspection could be embedded. The Committee noted the comments of Resources around the supporting commentary being outdated, with limited opportunity for adaptation due to the format and template used.

Members asked if any of the updates were material and were assured changes were not significant and would be included in the Corporation pack.

The Dir Finance confirmed it had been difficult to locate all the information needed, with new files and processes set up to ensure a streamlined process for the following year.

Members acknowledged the timing of the appointment had hindered the audit process, accepting the limited time for handover had added further pressure to the audit process. A member, noting the objectivity presented by the Dir. Finance being new to post, asked if everything had been as expected, with the Dir. Finance confirming the financial statements aligned with the July Management Accounts, as reviewed and approved by Resources in October, with no surprises, only difficulties being locating information.

A member informed the Committee they had submitted a number of queries to the Dir. Finance ahead of the meeting, which had all been responded to.

The item concluded with the finance team formally thanked for the work done, with it agreed the financial statements would be recommended for approval, subject to the final amendments being included in the circulation to the

Corporation.

Item 10.4 - Resolved: *The Committee resolved to recommend the Financial Statements for 2023/2024 to the Corporation for approval and signing.*

A.24.14 ITEM 11: REVIEW OF OTHER AUDIT SERVICES 2022/2023

The Dir Finance confirmed the IAS had been commissioned to provide two days support with the review of credit card use following concerns and questions during the budget presentation to the Corporation in July. The Committee was assured the review was considered to be independent and objective, and within the scope of the IAS, initiated as an additional review rather than replacing any within the schedule at the request of the Corporation and in line with the discussions held in this Committee the previous year.

It was clarified that the regularity audit and teachers' pension audit were considered part of the main work of the external auditors, therefore did not need declaring as additional work.

Item 11 - Resolved: *The Committee resolved to ratify the approval of the additional audit work to be undertaken by TIAA in 2022/2023 in relation to credit card use.*

ITEM 12: OTHER ASSURANCE REPORTS

A.24.15 12.1: Governance SAR

The Clerk confirmed the self-assessment, both against the Code of Governance in terms of compliance, and broader review, looking at relationships and impact, was thorough and incorporated all aspects of governance. The review concluded Governance was effective, however, identified some areas to improve, including on communicating information from Committees to the Corporation. Members discussed recent improvements, indicating that this was on the right trajectory, with plans to redevelop the self-assessment process expected to further strengthen understanding and awareness of compliance.

The key aspects of the Governance Development Plan were summarised, including how to strengthen governance through improved communication and reporting. The VP Finance and Facilities commented on the value of the advice and support from the Clerk in articulating and simplifying information to be reported to governors.

Members agreed it was difficult to recall and have awareness of every aspect of governance, indicating they relied on the Clerk for direction. It was considered that the Committee structure was essential to ensure scrutiny by suitably knowledgeable members, however, prevented detailed oversight of every member of every matter, with it agreed the new interactive self-assessment would support in reminding members of activities whilst self-assessing.

The Clerk was thanked for her work, with members reminded the strategy event

to review the Code and self-assessment process was on 24th January 2024.

A.24.16 12.2: Website Compliance

The Committee noted some improvements from the previous report. Members were assured by work undertaken to re-draft the Freedom of information policy and create a publication scheme, with assurances given that all other aspects of non-compliance were under review and scheduled to be presented to Committee's in the next round of meetings.

A.24.17 12.3: Curriculum Efficiency Review

The Dir Finance informed the Committee that the report and subsequent recommended actions were as a result of a voluntary diagnostic assessment by the Further Education Commissioner's team of Curriculum Efficiency, completed in June and July 2023.

The Director of Finance provided a summary of the key points, with members indicating the findings were significant, with the report having been interesting and informative. Key areas identified for improvement included staff utilisation, clarification of teaching hours, conversion, retention and progression, resulting in nine suggested actions that had the potential to yield £2.2 million in savings.

A member queried staff utilisation, specifically focusing on staff performing below their contracted hours. Concerns were raised about individuals contracted for 50 hours but only delivering 20. Another member expressed concerns about the value for money risks, when utilising public funds to pay for services not rendered and the impact on business efficiency. Acknowledgment was made that improvements had already been realised in the savings plan delivered throughout 2022/23, with the savings plan delivered without impacting student experience, highlighting how no courses had been withdrawn to fulfil the savings plan.

Staff contracts, including the need to protect time for preparation and planning for teachers, were discussed, with the timetable format considered a factor in the underutilisation, noting evening adult classes and AEB were the only way to ensure full utilisation of teaching hours.

Members discussed staffing challenges faced by the college and sector, with the VP Business Services highlighting the impact particularly on recruiting to specialist areas, needing to recruit full time staff to fill the vacancy, with underutilisation the subsequent issue, confirming they could over-deliver in some areas, however, they would not be paid for that, with a risk in-year growth requests would be rejected.

A committee member raised questions regarding the mix of teaching and non-teaching staff, particularly noting a high ratio of underutilisation within teaching hours. The discussion clarified the difficulty in categorisation for staff as teaching or non-teaching, noting it related to the contract and pay scale, with some roles essentially dual roles, highlighting how progress tutors deliver study programme hours.

**Minute
No.****Minutes****Action**

In response to questions, the VP Business Services highlighted challenges in benchmarking staff utilisation, with it explained why comparisons and benchmarking was difficult. The Clerk confirmed this had been raised by the Resources Committee, with attempt made to generate comparable data with a similar college. The Director of Finance provided insights into the benchmarking process using ESFA data, which was presented annually to the Resources Committee.

Members indicated they were surprised at the potential size of the savings, at £2.2 million, and sought clarification on the amount that would be realistic to achieve. The VP Business Services reiterated that this was the maximum available, if every action could be fully embedded, with some areas out of the control of the college. It was reiterated that as highlighted by the FEC's team, the maximum is unlikely to be achieved. Members were reminded that the review was based on the position in 2021/2022, with a number of the remedial actions already in progress at the time of the review, resulting in £800,000 of savings, and further efficiencies continuing to be made. Members were advised that the financial health and student numbers both improved the following year, noting that with only 3 new courses, this meant class sizes, and efficiency had increased.

Members confirmed the expectation was not to fully realise the savings, but to ensure robust action plans and strategic oversight of them had been embedded into the plans for this academic year, with all controllables influenced where practical, asking how much was in the control of the college, and where could it be evidenced that progress was being made in areas where there was control. Committee members emphasised the need for the report to feed into existing committees and the risk register, ensuring alignment with broader organisational goals and risks. The Director of Finance agreed to provide updates on the distance travelled in 22/23 and highlight further progress throughout 2023/2024 in future savings reports. It was clarified that they did not want any additional reporting against the recommendations but expected to see this reflected in existing reports and the risk register, with relevance for both the Resources and Standards Committees, in ensuring progress is made against the recommendations, whilst improving student experience, by embedding this into the risk register.

**Resources/
Standards
(oversight of
progress and
risks)**

**Dir. Finance
(embedding in
RR)**

Members discussed long-term implications and macroeconomic factors, emphasising the importance of using the report to address broader issues, noting that although interesting, and useful, the expectation was that as a self-initiated review, the recommendations would be addressed, yet conceding it was automatically out of date, being based on historic data, with funding formulas and recruitment altering the potential savings each year. They however, reiterated the need to see the recommendations reflected in strategic planning.

In concluding, the committee acknowledged the significance of the report in addressing operational efficiency and financial sustainability. Recommendations were made for further integration into existing committee reporting and the risk register, with a commitment to monitor progress and ensure the document remains a valuable tool for decision-making. It was agreed this should be

included in the Corporation pack as essential information.

The item concluded with Members reiterating how insightful this had been, highlighting how although it had been a voluntary diagnostic assessment, at no cost, it had been a huge undertaking, and it was critical the findings are used to improve the financial position, to better support students and staff.

Item 12 - Resolved: *The Committee resolved to ensure the report was used to influence strategic planning, embedded into relevant reporting and the risk register.*

Item 13: INTERNAL AUDIT REPORTS

A.24.18 Item 13.1: Termly review of Previous Audit Recommendations

The Dir of Finance summarised the update, highlighting the actions taken against outstanding audit recommendations since the last meeting held in May. Members noted there were 3 ongoing and 3 now completed. Members asked for a completion date for those outstanding, with it clarified, these had been actioned, but were ongoing as the recommendation resulted in an updated process, with this activity built into the cycle of business for those areas, hence it considered ongoing.

The Internal auditor confirmed their follow up review would consider the effectiveness of the updated process and will close those down as implemented if satisfied.

Item 13.1 - Resolved: *The Committee resolved to note the update, subject to the review of implementation dates and inclusion of progress points.*

A.24.19 Item 13.2: Internal Auditors Annual Report on the Progress Against Recommendations 2022/23

The Dir. Facilities confirmed that the report had been drafted by TIAA. Further clarification was provided on the progress against previous recommendations alongside further clarity and assurance for outstanding actions.

Members noted that the report did not indicate when outstanding actions will be completed, TIAA confirmed this would be picked up in the follow up review.

Item 13.2 – Resolved: *The Committee resolved to note the assurances of the report.*

A.24.20 Item 13.3: Annual Internal Audit Report

TIAA presented an overview of the report, confirming that the next annual report would indicate direction of travel, reflecting on any increase or reduction in the number of each type of recommendation.

Attention was drawn to the work undertaken, meeting the required 30 days, with an additional review of credit card use as detailed under item 11.

Item 13.3 – Resolved: The Committee resolved to recommend the report to the Corporation as essential information.

Item 13.4 Internal Audit Reports

A.24.21 13.4.1 Payroll and HR

The Dir. Finance introduced the agenda item focusing on the internal audit of payroll, specifically addressing the arrangements for payroll records, payment of salaries, training, and the use of agency staff. Management Information (MI) related to Human Resources (HR) was also discussed.

The Audit Partner provided an overview, stating that their review resulted in an overall opinion or reasonable assurance. One important and one routine matter were highlighted, with the payroll system being well directed. The committee expressed the expectation of seeing robust records and an audit trail, which with TIAA confirming this had been evidenced.

The committee noted that the important recommendation related to purchase orders (PO) not being consistently raised for staff finders fees.

The routine recommendation related to updating the staff development policy, embedding succession planning. Members questioned whether there were any conflicts of interests combining staff development and succession and were assured they were complimentary and not conflicting, with amendments intended to enhance the clarity and detail around succession planning within the staff development policy.

A member questioned the draft status and were advised this was due to needing to include management comments. It was clarified no significant changes were expected, with a final version to be issued once management comments are received.

The committee concluded that overall, the arrangements for payroll records, payment of salaries, and the use of agency staff were reasonable. The highlighted recommendations and routine amendments were accepted, with no issues identified in the payroll process itself.

A.24.22 13.4.2 Risk Management

TIAA confirmed the review had concluded, however, due to issues in the handover, the report had not been finalised. The Committee was assured by the outcome of substantial assurance. Members noted the work had concluded with the VP Finance and Facilities, with a follow up meeting planned with the Dir. Finance to provide with an overview to facilitate the drafting of the management comments.

Members were advised the review found effective practices, with appropriate policies and governor oversight. Members noted one routine recommendation had been made, which was to link the risk appetite statements to the risk register.

Item 13.4 – Resolved: The Committee resolved to note the update and review the report at their next meeting.

A.24.23 ITEM 14: RISK MANAGEMENT

The Director of Finance provided a summary of changes to the risk register, emphasising mitigations in place confirming a further SLT review of the register was imminent. Special attention was given to the high-risk action plan. Updates included:

- Addition of Ofsted, although now superseded.
- High-risk items to be reviewed, including S3 (Ofsted), O10 (industrial action re pay), O12 (failure to achieve apprenticeships).
- Changes to the Health and Safety risk – although staff replaced, risk to remain as they are new in post
- Financial position, staff costs and pay award

Members clarified that the staff pay award was fully funded and that this was recurring funding.

Updated movements and proposed changes to the risk register were reviewed, highlighting changes in S2 (Ofsted), C2 (loss of H&S – new position filled), O10 (industrial action), O11 (failure to achieve 16-18 financial target), and O16 (staff costs).

Discussion included industrial action, failure to achieve financial targets, and adult apprenticeship targets. Members noted the intention for the adult funding financial plan target to be reconsidered in the mid-year review, which would include a full review of staff costs, including the impact of the pay rise.

Members discussed the staffing risk crossover between Resources and Standards, agreeing the risk could be split, or reviewed twice with a different focus, agreeing the most effective process and triangulation should be considered by the Committee Chairs, proposing this could take place within the next Governance meeting.

**Governance
Cttee**

A member emphasised the importance of directing resources to Health & Safety and safeguarding.

Members expressed appreciation for the detailed movements and comments in the risk register, confirming the information had been helpful.

Members thanked the SLT for continuing to explore savings through investigating usage and educating staff around the impact of their usage.

Item 14 – Resolved: The Committee resolved to note the update.

A.24.24 ITEM 15: COMMITTEE SELF-EVALUATION 2022/2023

The Clerk summarised the report, highlighting the Committee's compliance with the ACOP and delegated authority as per the Committee's terms of reference. The discussion considered the challenges of an onerous agenda and risks related to the six-month gap between meetings, with concerns raised about the resulting distance from awareness and impact.

Committee members were reminded the decision to have only one autumn

meeting was due to delays in preparing information for the first meeting, with it being frequently deferred, resulting in them being combined. Members reiterated discomfort with the six-month gap, emphasising the need for more timely information. Members indicated the single meeting resulted in an unmanageable pack for this meeting, suggesting a solution was a combination of splitting it and reducing the volume of papers. Members noted the statutory nature of a number of the reports for their review, which had standardised formats and contents, and therefore could not be reduced.

Members highlighted the challenge of readability due to standardised formats for statutory reports and the importance of having focused, digestible information for effective decision-making. It was suggested there was a need for improved executive summaries, which incorporated more critical analysis, and drew the attention of members to the key points and sections of the longer reports.

Members highlighted the decision to expand the Terms of Reference for the Committee, with additional responsibilities, yet nothing removed, further adding to the burden of lengthy papers.

Concerns were raised about reputational risk, particularly in areas such as Health & Safety (H&S) and Safeguarding (SG), with risk of failure in these areas resulting in legal ramifications. Members discussed the need for increased frequency to oversee critical matters. The Clerk confirmed that Safeguarding was a standing item at the Standards Committee, which met between the Audit meetings, with additional oversight provided by the Link Governor, who was invited to attend the regular Safeguarding Panel meetings.

Members again emphasised the importance of critical analysis in executive summaries, urging management to be braver in streamlining information. The Committee indicated less information resulted in more meaningful debate. Members highlighted the need for honest reflections, avoiding an excess of good news, and the importance of highlighting key points for consideration.

The Committee agreed to an additional autumn meeting with a more manageable pack, requesting critical analysis in executive summaries. The Chair proposed to arrange a meeting with the Director of Finance to identify where reports can be streamlined.

**Cttee Chair/Dir.
Finance**

Members resolved to agree the identified areas for improvement, suggesting that the issue around papers and improving executive analysis was a wider issue, impacting all Committee's, which should be overseen by Governance.

The Committee resolved to accept the self-evaluation as an accurate reflection of performance in 2022/2023. It was agreed to hold an additional autumn meeting, requesting more concise information and critical analysis within executive summaries.

Item 15 – Resolved: *The Committee resolved to accept the self-evaluation as an accurate reflection of performance in 2022/2023. The Committee agreed to hold an additional autumn meeting, asking for more concise information and critical analysis within executive summaries, with Governance asked to oversee wider improvements across all Committees.*

Governance

A.24.25 ITEM 16: ANNUAL REPORT OF THE AUDIT COMMITTEE

The Clerk summarised the report, highlighting that this drew upon information from the annual reports of the IAS and external auditors, the funding audit, the

review of the Committee's own performance and other sources of external scrutiny, including the LCR funding audit and FEC Curriculum Efficiency Report. The Clerk reminded the Committee that the report needed committee approval ahead of being presented to the Corporation as a recommendation on control measures, which must be ahead of the signing of the Financial Statements.

The Clerk highlighted the conclusion, noting the Committee had met its obligations as laid out in the terms of reference and based on the assurances received throughout the year from a variety of sources, could provide assurance to the Corporation that measures for internal control and risk management were effective.

It was noted that the report stated the committee was in a position to recommend to the Corporation the signing of the financial statements as the Committee had received information that indicated internal controls are effective. The report summarised the position on risk, with adequate processes for managing and mitigating risk, with the Committee provided with substantial assurance from the IAS review of risk measures, with further suggestions this evening on how to further strengthen risk oversight. The Clerk highlighted how this demonstrated a commitment to continued improvement and risk mitigation.

Item 16 - Resolved: *The Committee resolved to approve the annual report and present this to the Corporation ahead of the signing of the financial statements.*

A.24.26 ITEM 17: ITEMS TO BE REPORTED TO THE CORPORATION

The Committee agreed to summarise the work of the committee through the circulation of the minutes and impact statements.

The Committee resolved to circulate the following as essential information:

- Annual Internal Audit Report 2022/2023
- Fraud & Irregularity Report 2022/2023
- Audit Committee's Annual Report 2022/2023
- Curriculum Efficiency Review Outcome

The Committee agreed to circulate to the Corporation the following reports for approval:

- Regularity Assurance and Self-Assessment Checklist 2022/2023
- Audit Completion Report 2022/2023
- Financial Statements 2022/2023
- Management Letter and Letter of Representation (for signing)

Members reiterated the importance of the work of the Committee in providing objective assurance to the Board and reflected on the earlier discussions around KPI's and risks. Members highlighted the overlap between committees for some lines, which needed a standardised and integrated approach, noting only presenting to one committee, risked a limited review of the wider impact of that KPI or risk.

It was suggested Committee Chairs should meet to consider a way forward, asking if there was any formalised process for Committee's to feedback to one another. The Clerk confirmed that minutes, and now impact statements were shared, and that the structure of the Governance Committee had been amended so that this was a meeting of the Chair's, along with additional stakeholder input, through the membership of a staff governor. It was recommended reviewing risks and KPI's should be added to the next Governance agenda.

**Clerk/
Governance
cttee**

Item 17 – Approved: *The Committee resolved to recommend the information as outlined above to the Corporation at the meeting of 14th December 2023. The Committee recommended the allocation of KPI's and Risks is reviewed at the next Governance Committee meeting.*

A.24.27 Item 18: Next Meeting of the Committee and Closing Comments

The next meeting was confirmed as Wednesday 28th February 2024, noting the Chair would not be present for the Corporation meeting, with the Clerk agreeing to support the Vice Chair with preparing the update.

Clerk

Members and attendees were thanked for their contribution and preparations and noted how reassured they had been from the detailed reports and responses to the questions of members.

The Finance team were thanked for their hard work and robust processes.

Item 18 – Noted: *The Committee resolved to note the date of the next meeting.*

The meeting closed at 5.11pm