

GOVERNORS & VOTING MEMBERS PRESENT: Iain Turri [Chair], James Creamer, Richard Powell [3]

ATTENDING Peter J Harrison [Clerk to Governors], Shane Blackshaw [Executive Finance Director], Elisa Williams [Head of Data & MIS], Irene Mortimer [Validera– Auditor Manager]

APOLOGIES: Roger Bridgeman, Marie-Claire Harper, [2]; and Lee Glover [Validera – Auditor]

Absent Without Apology: None

Circulation: All Governors, & Clerk to Governors unless CONFIDENTIAL.

Documents Circulated/Tabled* at Meeting:

- Document [A] – 'St Brendan's Sixth Form College – Declaration of Pecuniary Interest/Disability Access/Equality/Safeguarding 2023/2024' – circulated previously
- Document [B] – 'St Brendan's Sixth Form College – Risk Register January 2023 – circulated previously
- Document [C] – 'St Brendan's Sixth Form College – Validera Internal Audit Human Resources Health Check 2022/2023 Report' – circulated previously
- Document [D] – 'St Brendan's Sixth Form College – Validera Internal Audit Progress Report June 2023' – circulated previously
- Document [E] – 'St Brendan's Sixth Form College – Validera Internal Audit Payroll and Benefits Report June 2023' – circulated previously
- Document [F] – 'St Brendan's Sixth Form College – Validera Internal Audit Strategy 2022/2023 – 2024/2025 [Draft]' – circulated previously
- Document [G] – 'St Brendan's Sixth Form College – Outstanding Audit Report June 2023' – circulated previously
- Document [H] – 'St Brendan's Sixth Form College – Moore External Audit Planning Letter Year Ended 31 July 2023' – circulated previously
- Document [I] – 'St Brendan's Sixth Form College – General Data Protection Regulations/ Self-Assessment Report' – circulated previously
- Document [J] – 'St Brendan's Sixth Form College – Governors' Audit Committee Terms of Reference [draft]' – circulated previously
- Document [K] – 'St Brendan's Sixth Form College – Audit Post-16 Code of Practice 2022/2023' – circulated previously

ITEM	ISSUES RAISED IN DISCUSSION	AGREED ACTION
1. Welcome	<p>1.1 Welcome: The Committee Chair Iain Turri welcomed everyone to the virtual MS Office Teams™ meeting, and for the first time: Shane Blackshaw [Executive Finance Director], and Irene Mortimer [Validera– Auditor Manager]. Shane Blackshaw was invited to provide the Committee with some background of his experience prior to his appointment at the College.</p> <p>1.2 Quoracy: Later the meeting was declared quorate [3/6].</p> <p>1.3 Apologies: Roger Bridgeman, Marie-Claire Harper [2], and Lee Glover [Validera – Auditor]</p> <p>1.4 Absentee without apology: None</p> <p>[NOTE – The items of business may be taken in a different order to facilitate the business, but the Minute record retains the original order of the Agenda]</p>	
2. Declarations of Interest	<p>Document [A] – ‘St Brendan’s Sixth Form College – Declaration of Pecuniary Interest/Disability Access/Equality/Safeguarding 2023/2024’ – circulated previously</p> <p>2.1 Governors’ Pecuniary Declarations 2022/2023: No new declarations were made.</p> <p>2.2 Declaration of Pecuniary Interest/Disability Access/Equality/Safeguarding 2023/2024: The Clerk to Governors presented the form for the approval of the Committee before circulation to the full Board of Governors for completion. There were no comments about the text. The question that arose was whether the former Internal Auditors’ requirement that each declaration should be manually signed was still considered necessary. In a short discussion, it was confirmed that electronic completion and a signature would meet the requirement.</p> <p>Action – Clerk to Governors</p>	Clerk to Governors
3. Minutes Previous Meeting	<p>3.1 Open Minutes of Previous Meeting [3 May 2023]: The Minutes were agreed to be a true and accurate record of the meeting and were passed for electronic signature and for publication on the College website.</p> <p>Action – Clerk to Governors to upload agreed signed Minutes</p>	Clerk to Governors
4. Actions Review [Agenda not itemised]	4.1 None	


5. Matters Arising	5.1 None	
6. College Risk Management Review	<p>Document [B] – ‘St Brendan’s Sixth Form College – Risk Register January 2023 – circulated previously</p> <p>6.1 Review Risk Register Audit Committee Review: The Executive Finance Director presented the report and reminded the Committee that the Register is reviewed in College in June and January each year. The version here represents the changes made in January 2023. It was noted that the former date in the heading ‘June 2022’ needs to be corrected. The Executive Finance Director is to undertake a review and will make a number of changes to better reflect the College’s changing priorities, and to summarise for Governors where any changes or deletions are being made.</p> <p>It was noted that some of the Risk are scored MEDIUM incorrectly against the scoring matrix in the Risk Register and should be LOW:</p> <ul style="list-style-type: none"> ▪ § 4.4 – Recruitment high quality Staff/succession planning ▪ § 4.5 – Governor skills and experience ▪ § 6.14 – Reduced College profile/Student outcomes ▪ § 6.22 – Financial stress/inflation ▪ § 6.23 – Organisation National Statistics [ONS] College public sector loan facility status <p>This will be corrected</p> <p>It was noted in the light of the ongoing College funding level offered by the Government, compared with that allocated to Schools and Academies, there is a risk the Staff pay levels in the College sector will not keep pace with that elsewhere and this may lead to the retention of Staff becoming an identified risk and one to be included in the College Risk Register, when it is being revised by the Principalship later this month.</p> <p>The Committee discussed and queried some of the risks identified to confirm the mitigation actions taken. The Committee noted the report.</p> <p>Action – Executive Finance Director</p>	<p>Next Agenda Standing Item</p> <p>Executive Finance Director</p>

<p>7. Internal Audit [Validera]</p>	<p>Document [C] – ‘St Brendan’s Sixth Form College – Validera Internal Audit Human Resources Health Check 2022/2023 Report’ – circulated previously Document [D] – ‘St Brendan’s Sixth Form College – Validera Internal Audit Progress Report June 2023’ – circulated previously Document [E] – ‘St Brendan’s Sixth Form College – Validera Internal Audit Payroll and Benefits Report June 2023’ – circulated previously Document [F] – ‘St Brendan’s Sixth Form College – Validera Internal Audit Strategy 2022/2023 – 2024/2025 [Draft]’ – circulated previously Document [G] – ‘St Brendan’s Sixth Form College – Outstanding Audit Report June 2023’ – circulated previously</p> <p>7.1 Internal Audit Human Resources Health Check 2022/2023 Report: Irene Mortimer [Validera – Audit Manger] presented the report. The report identifies several areas of good practice and some areas for improvement:</p> <ul style="list-style-type: none"> ▪ Noted the following areas of good practice: <ul style="list-style-type: none"> ○ Regular staff engagement pulse surveys undertaken. ○ Procedures suitably reflected the control environment. ○ Key person risk had been suitably considered. ○ Appraisal forms include discussion on wellbeing and workload ▪ Noted the following areas for improvement: <ul style="list-style-type: none"> ○ Recruitment records to be retained. ○ Mandatory training log to be fully completed. ○ Staff induction and probationary reviews to be recorded. ○ Retention of evidence to confirm access removed from Leavers. ○ Signed employee contracts to be retained. ○ Whistleblowing policy overdue for review. <p>In discussion: [1] The question arose as to when the next review would take place and whether it is an annual one? It was noted that the Audit Strategy, sets out the plan over a period for various reviews of this type to be undertaken. The Committee noted the report.</p> <p>7.2.1 Internal Audit Interim Progress Report: Irene Mortimer [Validera – Audit Manger] presented the second report. There is some additional field work to be completed in June/July and the overall number of days and work schedule is complete.</p>	
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8. External Audit [Moore]	<p>Document [H] – ‘St Brendan’s Sixth Form College – Moore External Audit Planning Letter Year Ended 31 July 2023’ – circulated previously</p> <p>8.1 External Audit Planning Letter Year Ended July 2023: The Executive Finance Director reported that he had had a meeting with the External Auditor. One of the ongoing risks identified is the recognition of the College funding issue, in addition to the cyber risk of hacking into the College data and services. The Committee discussed the proposed increase of Moore’s fees from £11,500 to £13,500 for 2023 and it was considered a reasonable increase in the light of the current economic climate. As an ‘operational matter’ for the College it was agreed it should be paid. The Committee noted the report. Action – Executive Finance Director</p>	<p>Next Agenda & Executive Finance Director</p>
9. College Matters	<p>Document [I] – ‘St Brendan’s Sixth Form College – General Data Protection Regulations/ Self-Assessment Report’ – circulated previously</p> <p>9.1 Appetite for Risk Strategy [Minute § 7.2 May 2023]: There was a general discussion arising from the suggestion made by the Internal Auditor at the previous meeting as to whether the College should develop an Appetite for Risk Policy. In discussion the following points were made: [A] The College already has a Risk Register in place with controls and regular reviews. [B] The Governors place some reliance upon the Principalship to alert Governors of any new additional risks. [C] Given the size and type of organisation that the College is an Appetite for Risk Policy is a bit ‘over the top’, and it is doubtful what value such a document would have in this context. [D] The Executive Finance Director will review the issue with the Principalship. The Committee noted the report. Action – Executive Finance Director</p> <p>9.2 College Budget Financial Plan 2023/2024: The Executive Finance Director indicated that work is in progress on this very challenging project given the economic climate and related College funding issues and his being newly in post. The outline Budget will be presented to the Governors’ Resources Premises HR Committee next week. Noting the chief issues, he reported:</p> <ul style="list-style-type: none"> ▪ Student Recruitment/Retention /Attendance and related funding ▪ The Loan Covenant for the Sports Development requires the College to have an ‘Earnings Before Interest Taxes Depreciation Amortization’ [EBITDA] of 1.3 times [£356k] the annual cost of financing the loan [£274k] 	<p>Executive Finance Director</p>

College Matters [Continued....]	<ul style="list-style-type: none"> ▪ The Principalship is making savings, which will impact in various budgetary areas for the coming period: <ul style="list-style-type: none"> ○ Energy – achievable through investment in energy efficiency eg Solar Panels/LED lighting, and ‘energy awareness campaign to reduce consumption ○ Budget holder reductions, typically for example from £20k to £15k per annum ○ Staff training and development ▪ On the plus side <ul style="list-style-type: none"> ○ Café Max is showing improved takings and use ○ The new Sport facilities as they come on stream will produce additional income ○ Some indications that Student numbers are rising again with the lagged funding coming in the following year <p>The Committee noted the report.</p> <p>Action – Executive Finance Director</p> <p>9.3 General Data Protection Regulations/ Self-Assessment Report: The Executive Finance Director presented the report noting there were no significant events to be reported. There were some lapses in the correct procedures by Staff – notably in their use of email inappropriately. Although there are annual reminders of the correct procedures and these matters are addressed in Staff induction, such lapses are all too easy. The Committee noted the report.</p>	<p>Executive Finance Director</p>
10. Policy Reviews	10.1 None Identified:	
11. Committee Matters	<p>Document [J] – ‘St Brendan’s Sixth Form College – Governors’ Audit Committee Terms of Reference [draft]’– circulated previously</p> <p>Document [K] – ‘St Brendan’s Sixth Form College – Audit Post-16 Code of Practice 2022/2023’– circulated previously</p> <p>11.1 Committee Terms of Reference [Minute § 10.1 May 2023]: The clerk to Governors introduced the discussion, by reminding the Committee it had undertaken a lengthy review of the existing Terms of Reference for this Committee and confirmed compliance with the Post-16 Audit Code of Practice 2022-2023. However, a matter has arisen, which the Committee may wish to consider before the Board of Governors adopts the revised document. For several years this Committee has been below its complement of members and in spite of multiple and unsuccessful attempts to recruit members has on more than one occasion been unable to attain the required minimum quoracy of three for a meeting to be held. This situation has been aggravated by the difficulty of recruiting Governors this past year. So contrary to the current Terms of Reference for this</p>	

<p>Committee Matters [Continued...]</p>	<p>Committee Governors who are also members of the Governors’ Resources Premises HR Committee were invited to join this Committee.</p> <p>The guiding principle as always clear that it was necessary to ensure independence for this Committee in oversight of the College operations from an audit perspective. The draft revised Terms of Reference before the Committee on the ENDNOTE section suggests two alterations [in RED INK]</p> <ul style="list-style-type: none"> ▪ 1. Restrictions on membership – no Chair, Principal, <u>Chair</u> of the Governors’ Resources, Premises HR Committee, or anyone with an executive role, to maintain the Committee’s independence and objectivity ▪ 2. The Committee will be facilitated by College <u>Executive Finance Director</u> who must not be regarded as a member of the Committee or party to any of its decisions <p>The Committee discussed the issue and noted:</p> <p>[1] The independent scrutiny of the Committee would not be at risk in the event the Board of Governors approves the change.</p> <p>[2] The experience of members of the Governors’ Resources, Premises HR Committee would enhance the ability of this Committee in conducting its business and responsibilities.</p> <p>The Committee was unanimous in recommending both changes for adoption by the Board of Governors.</p> <p>Action – Clerk to Governors & Next Agenda</p> <p>11.2 Post-16 Audit Code of Practice [Minute § 10.1 May 2023]: The document circulated was taken as read and it was confirmed there was no need to alter the existing revision of the Committee’s Terms of Reference. However, the responsibility of ‘Managing Public Money’ [MPM] will be considered at the next meeting.</p> <p>The Committee noted the report.</p> <p>Action – Iain Turri [Committee Chair] & Next Agenda</p> <p>11.3 Evaluation of Effectiveness of the Audit Committee [Minute § 10.2 May 2023]: Iain Turri noted with the numbers of members serving the Committee it might be best to leave this topic until the summer or autumn meeting. Although the latter meeting is always a heavy business meeting.</p> <p>Action – Iain Turri [Committee Chair] & Next Agenda</p> <p>11.4 Committee Briefing Next Meeting: As the next meeting in November will have a longer agenda it was agreed there should be no briefing.</p> <p>11.5 List Audit Committee Topics for Board of Governors: Iain Turri will review the business in the last meeting and this and summarise for the Board of Governors. The following items were suggested:</p> <ul style="list-style-type: none"> ▪ Validera Internal Audit Reports / Internal Audit Strategy 2023-2025 ▪ General Data Protection Report <p>Action – Iain Turri [Committee Chair]</p>	<p>Clerk to Governors & Next Agenda</p> <p>Committee Chair & Next Agenda</p> <p>Committee Chair & Next Agenda</p> <p>Committee Chair</p>
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13. Correspondence	13.1 None	
14. Next Meeting	Wednesday, 22 November 2023 at 16:00 hrs [Subject to confirmation] In person.	Clerk/ All Governors
Minutes of Meeting Prepared	Peter J Harrison [Clerk to Governors] Thursday, 15 June 2023	
Minutes Agreed	<p>Minutes agreed as true and accurate record</p>  <p>Signed: _____ Committee Chair</p> <p>Wednesday, 22 November 2023</p>	