MINUTES OF THE AUDIT COMMITTEE MEETING

Thursday 6th June 2024 at 6.00pm
Meeting held via Microsoft Teams

Present:
Mark Nelligan (Chair)
Andy McVeigh
Stephanie Fudge
Natasha Meade
Sophie Cook
Emma O'Brien

Scott McCready – Internal Auditor, Wylie Bisset

John Thater, (Guest)
Stephanie Wiles, Director of Finance and Estates (Advising Officer)
Dan Hards, Principal, (Advising Officer)
Catherine Davies, (Clerk)

1. **DECLARATIONS OF INTEREST**
   There were no declarations of business interest.

2. **APOLOGIES FOR ABSENCE**
   Apologies were received and accepted from Jane Duscherer.

3. **MINUTES OF THE LAST MEETING HELD ON 14 NOVEMBER 2023**
   The Minutes of the previous meeting of 14th November were <u>approved</u> as an accurate record.

4. **MATTERS ARISING**
   A1-001. Director of Finance and Estates to follow up after the meeting with more information regarding the gain (Note 24 in the Notes to the Financial Statements for the period ended 31 August 2023). **The information concerning the gain was circulated following the meeting.**

   A1-002. The Chair asked for follow up at the next meeting regarding the alternative bespoke approach for testing the IT system in the event of a cyber attack. **Covered later in the agenda.**

   A1-003. The IT Director will write to the internal auditor in time for the Internal Audit Scrutiny Report deadline outlining the steps the College currently takes to test the IT system and why it is viewed as adequate. The College will explore the cost of having an independent review of the current testing programme. **Covered later in the agenda.**

5. **INTERNAL AUDIT REPORTS**
   The Internal Auditor introduced the Internal Audit Reports.

5.1 <u>Staff Recruitment and Retention</u>. The audit provided "Strong" assurance and made 2 low level recommendations regarding:

A) Circulating a Staff Questionnaire on an annual basis to ensure staff have the relevant wellbeing support in place and are aware of the support in place. In response, the management advised they are collating a staff survey which will cover staff wellbeing and broader issues relating to staff satisfaction.

B) Ensuring staff recruitment arrangements are robust and retaining recruitment documentation. In response, the management advised they have a system in place to chase any recruitment documentation that is missing and an Applications Tracking system is being installed.

A Trustee asked for more information concerning other opportunities during the year for staff to feedback on wellbeing. A Trustee supported the request for greater frequency of opportunities to feedback. The Director of Finance and Estates updated the Committee of mechanisms already in place for the staff to feedback such as Staff Voice.

Dan Hards (Principal) joined the meeting at 6.15pm

The Principal updated the Committee regarding the recruitment of an HR Director who has recently joined the College and will be working with the Interim Assistant Principal for Curriculum, Innovation and Development to look at ways of listening to Staff Voice and reviewing Staff feedback throughout the academic year. Currently opportunities in place at the College for staff feedback include termly Staff Q & A sessions with the SLT, regular feedback from divisional meetings and the Principal meeting with departments on an biannual basis.

The Chair asked the Principal to incorporate his update into the Management response regarding Recommendation 5.1 A.

5.2 <u>Funding Review</u>. The audit provided "strong" assurance and there were no recommendations.
The Chair congratulated the College on the excellent audit regarding funding review.

5.3 <u>Follow Up Review</u>. 2 recommendations were discussed:
A) Not Implemented Recommendation – Disaster Recovery Testing, IT Systems.

The Chair asked the Principal to update the Committee on exploring the cost of having an independent review of the current testing programme. The Principal replied that a new Director of IT is being recruited and a Network Manager is due to start his role with the College this month. The Committee agreed to move the implementation date for this recommendation to March 2025. The Chair asked the Clerk to ensure an update is provided at the next Committee meeting.

B) Not Yet Due Recommendation - Risk Appetite
The Committee noted that Risk Appetite is due to be considered later in the agenda.

Action: Principal to update the internal auditor with a more thorough management response to the recommendation concerning the staff survey.

Action: Clerk to ensure an update regarding Disaster Recovery Testing is included at the next meeting.

The Internal Audit Reports were <u>approved</u> by the Committee.

6. ANNUAL AUDIT PLAN 2024-25
The Internal Auditor set out the proposed audits for the next year:
Health & Safety
Bursary & Free School Meals
Fraud, Theft & Bribery.

The Committee approved the annual audit plan for 2024/25.

The Chair thanked the Internal Auditor for his update.

Scott McCready (Internal Auditor) left the meeting at 6.30pm.

The Director of Finance and Estates proposed the re-tendering of the Internal Audit Service as the Wylie Bisset service is coming to an end. The Committee agreed to this proposal.

7. PLANNING FOR FINANCIAL STATEMENTS AND REGULARITY AUDIT
The Director of Finance and Estates set out the plan for this year's regularity audit and financial statements. She noted the fees are in line with the original tender.

The Committee approved the plan.

8. RISK MANAGEMENT POLICY
The Principal introduced the Risk Management Policy.

The Principal gave an overview of the new section in the Policy on Principal Risks, Risk Grading and Risk Appetite. He noted that the College has a balanced approach to managing risk and he outlined the risk categories. The Chair thanked the Principal for his work on the Policy and noted it met the recommendation by the Internal Auditor regarding Risk Appetite. (See Point 5.3 B).

A Trustee asked the Principal to change the word "active" to "proactive" in the sentence "the College takes an active approach to identifying risks" and the Principal agreed.

A Trustee asked the Principal to consider replacing with word "limited" with "Low, Medium and High" to reflect the ratings used in the Strategic Risk Register and the Principal agreed.

Action: Principal to review the use of "limited" and replace with "low, medium and high" to reflect the ratings used in the Strategic Risk Register.

The Committee approved the Risk Management Policy.

9. STRATEGIC RISK REGISTER UPDATE

The Principal introduced the Risk Register and highlighted the following:

Risk 3 – Admissions. The Chair raised the risk of increased uptake of offer of places at the College due to the proposed addition of VAT to independent school fees leading to pupils withdrawing from the independent sector and moving to the state sector. The Principal replied that there was a risk of over recruitment in the future and the risk would be re-visited in the Autumn term.

Risk 9 – Cyber Attack. The Net Risk has been raised due to the resignation of the Director of IT. The Principal outlined the mitigation to the risk with the appointment of a Network Manager, the

recruitment of a new Director of IT and appointment of an Assistant Principal as the Data Protection Officer.

Risk 10 – Industrial Action. The gross and the net risks have increased as the pay agreement for support and teaching staff has not been reached for 2024/25.

Risk 12- SLT. An Interim Assistant Principal for Curriculum, Innovation and Development has been appointed and the permanent role will be advertised in the Autumn Term. There is no change to the gross and net risks.

The Chair asked if the Internal Audit on Staff Recruitment and Retention with Strong assurance could be referenced in Risk 11 – Recruitment of Teachers, and the Principal agreed.

A Trustee asked if the Risk Register document could be reviewed to ensure that each risk clearly states the impact, for example if there is a risk of over recruitment of students, what is the action that would be taken to reduce the risk. A Trustee asked if the Control section could be reviewed to ensure the wording in the Control and Update sections is not duplicated. A Trustee offered to help the Principal to refine the document and the Principal accepted the offer.

Action: Principal to reference the Internal Audit on Staff Recruitment and Retention in Risk 11.

The Committee approved the Strategic Risk Register.

10. DISASTER MANAGEMENT STRATEGY 2024
The Principal introduced the Strategy, noting the revised sections on Lockdown Procedures were updated following a lockdown drill (which will become an annual occurrence). The Committee discussed the arrangement for 2 separate control rooms and teams with actions put in place to ensure delegation of responsibilities.

The Chair asked about benchmarking of the Policy and the Principal replied that he worked with the S7 Colleges to share best practice.

The Committee approved the Disaster Management Strategy 2024.

11. ANTI-FRAUD POLICY AND RESPONSE PLAN
The Director for Finance and Estates introduced the Anti-Fraud Policy and Response Plan and noted the Policy had been checked to ensure it aligns with the Academy Trust Handbook and College Financial Regulations.

The Committee approved the Anti-Fraud Policy and Response Plan.

12. CONFIDENTIAL REPORTING POLICY
The Director for Finance and Estates introduced the Confidential Reporting Policy, and the Committee noted the small number of updates.

The Committee approved the Confidential Reporting Policy.

13. ANY OTHER BUSINESS
None.

14. DATE OF NEXT MEETING – 12 November 2024 (tbc)

The meeting closed at 7.10pm
Attendance was 86%

Signed and Date   ……………………………………………………

SUMMARY OF ACTIONS

A2-001	Principal to update the internal auditor with a more thorough management response to the recommendation concerning the staff survey.
A2-002	Clerk to ensure an update regarding Disaster Recovery Testing is included at the next meeting.
A2-003	Principal to review the use of "limited" and replace with "low, medium and high" to reflect the ratings used in the Strategic Risk Register.
A2-004	Principal to reference the Internal Audit on Staff Recruitment and Retention in Risk 11.

SUMMARY OF TRUSTEE CHALLENGE [C] / SUPPORT [S]

C/S	Minute	Topic
C	5	A Trustee asked for more information concerning other opportunities during the year for staff to feedback on wellbeing. A Trustee supported the request for greater frequency of opportunities to feedback.
S	5	The Chair congratulated the College on the excellent audit regarding funding review.
C	8	A Trustee asked the Principal to consider replacing with word "limited" with "Low, Medium and High" to reflect the ratings used in the Strategic Risk Register.
S	8	The Chair thanked the Principal for his work on the Policy and noted it met the recommendation by the Internal Auditor regarding Risk Appetite.