VARNDEAN SIXTH FORM COLLEGE

MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON

THURSDAY 27th November 2025 at 10.15 am, held in the Principal's Office

Present – Paul Herridge (Chair), Carrie Llewellyn, John O'Sullivan, Alan Walker, Brendan Ward,

In Attendance - Elaine French (Vice-Principal Resources), Donna-Marie Janson (Principal), Simon Lindfield (Vice-Chair of Governors in the absence of the Chair of Corporation) – for the External Audit Items (for Corporation assurance purposes),

New External Auditors: Buzzacott: Shachi Blakemore via G. Meets for item 3 and 4

Scott McCready (Wylie & Bissett, Internal Auditors) via G. Meets for item 4 and 5.

It was resolved to take the External Audit items (Item 3) first after Item 1 and 2, so that the Chair of Governors may then leave the meeting. After the External Audit, the item "Committee Members to have opportunity to meet with auditors in the absence of College Management" would be held, after which the External Auditor may leave the meeting.

It was noted and agreed that the standing items – Minutes, Matters arising etc, would follow the External and Internal Audit Items to enable the auditors to leave after their items.

1. **Apologies and Welcomes:**

   Apologies: Louise Pennington

The Committee was quorate.

The order of the agenda as proposed was agreed by the Committee.

It was also agreed that a recording of the meeting would be taken for the minutes.

Paul Herridge introduction – Simon Lindfield (Vice-Chair of Governors) standing in for John Williams Chair for item 3 only - External Audit

2. **Declaration of interests –** none

3. **Annual Report and Financial Statements – Executive Summary**

   PAPERS:

   a) **Audit Completion Report November 2025**
   b) **Draft Financial Statements July 2025 – included for information/reference (Finance Committee will be reviewing and recommended the AR and FS to Corporation)**
   c) **Regularity Audit Self-Assessment Questionnaire July 2025 (supports the Regularity Audit Statement)**

d) **Letters of Representation (supports Financial Statements and Regularity Audit July 2025)**
e) **Governance aspects – input from EAs/questions from Committee**

Shachi Blakemore (Buzzacott's External Auditors) – presented the external audit findings report and highlighted the following matters:

3a Audit Completion Report November 2025

- Awaiting the final funding reconciliation from the DfE – expected by the end of November, after which the final report will be signed off and provided to College for inclusion in the Corporation Meeting papers.
- The Auditors have confirmed a clean audit, taking into account the financial statements, regularity audit work and the Teachers' Pension Scheme (TPS).
- Page 7 of the Report showing the reconciliation of the bottom line result, having removed the pension adjustments from the pension scheme (which skews the operating result) and provides a £183K deficit.
- Pension adjustments not significant £179K.
- Refer appendix to document – financial health and the various ratios
- The audit focused on high risk areas, going concern assessment to ensure the College can meet its liabilities within the next 12 months and also audited the forecasts for the following 2 years. The Auditors were also satisfied with the financial health score calculation – noting that it remained at "requires improvement" for the current year (24/25).
- Other risks were reviewed – funding income and other income streams, together with the risk associated with the College estate and associated costs and the auditors verified that the accounting treatment in the statements was correct.
- 7 recommendations were given, noting also that as new auditors, the audit work was more detailed in the first year as the new auditors and in effect was equivalent to 2 audits which commenced in the Summer (reviewing systems etc) following by the main auditing of the financial statements/regularity audit etc
- Thanks were recorded to the Finance Team for their assistance.
- In response to a question from the Committee regarding the recommendations recorded in the appendix where some did not include a date/timescale for completion, Elaine French confirmed that such recommendations had been completed (stating "immediate").
- The Committee also queried the need for the College to have a Reserves Policy and Elaine French explained that the College had historically had a Treasury Policy but that a new Reserves Policy was required and confirmed that this would be brought to the March 2026 Finance Committee for review and recommendation for approval to Corporation (via March Audit Meeting for noting) act, – it was also noted that this reference should be updated in the Audit Completion Report too. **ACTION: ELF/Buzzacotts**
- Referring to the notes to the accounts, the Committee queried the revaluation reserve and Shachi Blakemore explained that the context of the Reserves policy related to liquidity (rather than revaluation reserve) and referenced cash days/month by month cashflow as a reference point in most Colleges or 1 months' pay roll costs being equivalent to the reserve etc and that assurance was needed to ensure liabilities would be met within the required timeline.

- Shachi Blakemore highlighted the following additional key points:
  - Benchmarking information in the appendices and referred to page 27 of the report, noting the financial health score of Requires Improvement and 3 KPIs, noting that the DfE's expectation for Colleges is a financial health of outstanding or good, but the College's plans to achieve good was also mentioned. Other benchmarking information on page 29,

included reference to various KPIs and the current ratio was highlighted with comparative sector data; the College's current ratio is 0.5 whilst the target should be 1.4; EBITDA is 3.1 and the DfE's sector expectation is 6%. Page 32 – payroll ratio for Varndean is about 80% with the DfE target being 70% to 75%. At this point the Committee was reminded of the context surrounding the College's position, along with its plans to improve the various targets.

- The College's year 24/25 requires improvement, financial health grade (120 points), noting that to achieve good, a score of 180 is required. SLT and the Finance Team regularly monitor the College's financial health and report and discuss progress to improve etc at the Finance Committee and Corporation.
- The Committee queried the payroll ratio to income at 81% and difficulty finding the calculation behind this - to assist the Committee Members, it was agreed that the calculations should be shared so that the committee could understand how the calculation was reached. However this has been scrutinised at the Finance Committee and by the External Audit so does not need to be evidenced. **ACTION: Buzzacotts/ELF**
- At this point the work of the Finance Committee in reviewing the Annual Report and Financial Statements was highlighted. It was also noted that regarding benchmarking analysis provided to Governors, the Finance Committee were given the detailed DfE benchmarking data from the CFFR returns during the Spring Term.
- It was also confirmed that SLT had a 3 year plan (including growth in Student numbers and improved efficiencies, with the aim of 2% improvement per year) to focus upon reducing the payroll target from 81% to 74.9 together with improving other key ratios in order to achieve a financial health grade of good.
- Buzzacotts confirmed that they had 40 Colleges within their audit work but that this included GFE and SFC (10 Colleges), the details of which were included in their own benchmarking analysis shared with the College.
- Shachi Blackmore reported on other trends within the sector which had been highlighted various other client colleges and at the last AoC Conference and she raised the matter of AI for governance. She suggested that the College may wish to consider arranging AI training for Governors and not just for staff or students to ensure that the College has the appropriate skills and knowledge to understand and challenge AI strategy and developments etc **ACTION: SLT/Chair**
- In addition to the above, the issue of digital standards was raised, which would be in addition to the current compliance work on the cyber essentials requirements as a condition of the funding agreement and noting that in 5 years' time the College will have to meet 6 digital standards (security, wifi speed, network switches etc) and it was suggested that Governors understanding of this and where the College is in the 5 year journey in meeting these digital standards was important. **ACTION: SLT**
- Local Government Pension Scheme (LGPS Support Staff) – Shachi Blackmore reported that the majority of the institutions participating in the scheme were in surplus and noting that this could have an impact on College's finances, should a reduction in contribution rates be agreed and this also might have an influence on the College's financial health progress to good. Elaine French reported that the pension valuation should be updated and advised to Colleges in the Spring term so that the impact on its pension contributions will be confirmed, at which point there may be an opportunity for contributions to be reduced.
- The Committee noted the audit process this year, being Buzzacotts' first year of their External Audit, and reference to this was included in page 4 of their report and the consequential more in depth audit work required and additional pressure on the Finance Team and its capacity, particularly in light of having lost a member of the Team and staff

sickness etc. Notwithstanding the audit costs and time, the auditor confirmed the importance of ensuring sufficient time is taken to complete a first audit and to ensure that the audit opinion is correct and that there were no key balances or disclosures missed which would result in prior year adjustments having to be made at a later date and incurring additional cost. Hence the importance of resourcing key College functions was highlighted.

- The Committee queried the comments re no adjustments on page 10 and adjustments on page 4 in the report and Shachi Blakemore advised that the page 4 adjustments relating solely to adjustments made to reach the final figures but agreed to add the details within the appendix (page 10) in the next iteration. The Committee recognised how useful the appendices were in providing comparative figures, highlighting issues and additional information and analysis. **ACTION: Buzzacotts**
- Page 15 The Committee queried the assumption implied by auditors regarding the ILR and need to review this regularly and there was an indication that the Internal Auditors would do this audit work and likewise for the regularity audit work, but it was unclear to the Committee how this would be audited since the decision was made to pause the Internal Audit contract. It was noted that this matter would be discussed later in the meeting – refer below.

- There was also a discussion on the role of both the Finance Committee and Audit Committee and why the College has both. Some Colleges that Buzzacotts work with have these merged. It is believed by SLT this is because they are academies. However, this is something that will now be picked up by the Search and Governance committee. **ACTION: Principal and Chair of Governors**

Thanks were recorded to Shachi Blakemore for her input.

b) Draft Financial Statements July 2025 – included for information/reference (Finance Committee will be reviewing and recommended the AR and FS to Corporation)

The contents of the Draft Financial Statements were noted and that this document had been considered in detail at the recent Finance Committee which was due to recommend these to Corporation for approval at the December Corporation Meeting.

The Committee referred to page 28 – revaluation reserve (£91K – which related to assets when the College was originally incorporated) and suggested that it would be useful to add a note for clarification for Governors and other readers of the document to explain this which Shachi Blakemore agreed that the college can add additions, although was not a requirement. **ACTION:/ELF**

Other items:

c) **Regularity Audit Self-Assessment Questionnaire July 2025 (supports the Regularity Audit Statement):** The document which is drafted by Elaine French and Louise Pennington is used by the auditors to provide assurances in completing their regularity audit work. The External auditor confirmed a clean and unqualified audit outcome.

d) **Letters of Representation (supports Financial Statements and Regularity Audit July 2025):** recommended to Corporation for approval and to be signed once approved.

e) Governance aspects – input from EAs/questions from Committee – no further questions were raised at this point.

The various documents listed above, were recommended to Corporation for approval. **ACTION: Elaine French/Chair**

At this point the auditors were thanked for their audit work.

4. **Committee Members to have opportunity to meet with auditors in the absence of College Management to raise issues/questions on audit work**

At this point Scott McCready (Internal Auditor) joined the meeting via G. Meets.

It was also resolved that Simon Lindfield could remain for this item.

Donna-Marie Janson and Elaine French left the meeting.

The following matters were discussed:

- The auditors were invited to raise any points or general observations and report any feedback regarding the recent audit work with the Finance Team.
- Shachi Blakemore echoed the general comments already made and reiterated that in the first year of a new audit arrangement, additional time from management was required to allow for the additional work required for the auditors to gain information about the College and its audit work to date etc. She acknowledged that there were some delays in initial expectations regarding the receipt of requested documentation and information in light of the Finance Team's capacity limitations, but acknowledged that with workload pressures and staffing issues re sickness/absence etc which the Team had to manage during this busy time on top of their existing workload commitments.
- The Governors noted the auditors' input and the work pressures on the Team to complete all their work including governing body meeting papers etc.
- The Committee raised the issue of next year's external audit and previous reliance on the internal auditors work on regularity and ILR internal audits etc and queried how the Audit Committee can gain sufficient assurance that the audit work has been covered in these and other internal audit areas and that the external auditors have also gained the necessary audit assurances in respect of the work previously done by the Internal Auditors. In response it was noted that the ILR data audit work was generally completed on a rotational basis – and not necessarily completed annually. Shachi Blakemore advised that as a SFC it was generally less complicated and lower risk, in terms of the ILR feedback required, compared to a general FE College. However, it was noted that the External Audit process would include basic ILR checks, but agreed that it could be added as a potential risk whilst the internal audit is paused with an emphasis on ensuring a detailed ILR internal audit review is scheduled for 2026/2027. In the interim it was noted that SLT was providing internal assurances to the Governing Body whilst the internal audit was paused during 2025/2026 and it was agreed that this was being done through a risk-based approach. **ACTION: ELF**
- The Committee queried whether the pause in the Internal Audit contract would limit the work of the External Auditors for this year and Shachi Blakemore advised that if the internal auditors arrangement had been paused for 2 or 3 years, then the External Auditors would have to review the situation and determine any additional work required to gain assurance previously gained from the internal auditors.
- The Committee noted that the internal auditors' audit days totalled 13 days so it would not be possible in this year for the external auditors to cover all the previously allocated internal audit work.

- The Committee queried the questionnaire feedback rate from the budgetholders' – which was 50% and whether this was a concern. Scott McCready acknowledged that this was slightly disappointing but that it was acceptable at 50% and that if a lower percentage return had been received, the auditors would have followed this up. Some of the responses were also highlighted as a concern by the Committee and in response Elaine French advised that a number of the issues raised had since been addressed eg budget holder training.
- Further issues will be discussed later in the meeting in the various items below and the Chair also referred to his pre-meeting telephone conversation with Elaine French regarding various queries arising from the meeting papers.

Thanks were recorded to the auditors for their input, after which Shachi Blackmore left the meeting, along with Simon Lindfield (Vice-Chair of Governors). Scott McCready remained in the meeting for the next item (Internal Audit).

The Principal and Vice-Principal re-joined the meeting.

5. Internal Audit

Internal Assurance Reports from 2024/2025 Schedule:

a) Budgeting and Financial Report
b) Follow Up
c) Annual Report
d) Assurance in lieu of Internal Audit (Executive Summary, i) Audit Assurances)

Elaine French introduced the internal audit item and Scott McCready reported to each of the items, recording the following points:

a) Budgeting and Financial Report

- College documents supported the processes in place by the College and a questionnaire was issued to those 10 budget holders, having a significant budget.
- As reported earlier, the response rate had been disappointing but adequate at 50% response.
- Budget holder responses varied with some issues needing to be addressed including requests for training and other necessary information from the Finance Team.
- Page 11 and 12 were highlighted which provided assurances received by the internal auditor and grade awarded etc. The Internal Audit recommendations include a formal training programme for budget holders and establishing formal reporting/communication processes with the budget holders.
- Overall – substantial level of assurance reflecting the level of recommendations required.
- Elaine French highlighted the management responses to each of the recommendations which provided an update on work taken forward to date, plus also referenced the detail included in the rolling action plan too. It was also noted that with the new finance systems being embedded, improvements will also be made to the Department's working processes.
- The Committee queried the substantial rating in light of the low level of responses from budget holders to the questionnaires and Scott McCready explained that this was not seen as a significant issue and that the grading was a "medium" level grade which met the criteria based on the audit work. Furthermore, the 4 recommendations stated were also not significant in line with the medium level grade given. Elaine French provided some additional information regarding the budget holders, confirming that the questionnaire had been sent to 10 of the 30

plus budget holders as the majority of the budget holders had very small budgets. It was also noted that in light of the timing of this audit work, the budget holders who received questionnaires did not extend to the curriculum Staff as this work took place in the Summer when those staff were absent; questionnaire responses may well have been different should Curriculum staff have been included. At this point the Committee commented on the further additional work required from the Finance Team to meet the recommendations made – finance training, where the department capacity remains an issue. Elaine French was clear however that this training had now taken place with all budget holders in September. The issue remains that the current system SAGE does not allow budget holders easy access to all the data they require so it still comes manually via the finance team. The Committee registered its ongoing concern regarding the Finance Team's capacity. **ACTION: Chair/Principal/ELF**

b) Follow up – noted.

Scott McCready summarised the follow up position regarding the 10 recommendations recorded on page 5 of the paper, with substantial assurance having been provided noting that 4 had been fully implemented and the remaining 6 recommendations were partly completed.

The Committee noted the timing in respect of the progress of each action with the original recommendations having been derived from the 2023/2024 audit and again highlighted the capacity issues within the Finance Department, although it was acknowledged that almost half had now been completed with the balance partly completed.

c) Annual Report

Scott McCready presented the Report the contents of which were noted by the Committee. Elaine French confirmed that the recommendations made in the report had either been implemented or would be completed during 2025/2026.

- A presentation issue was highlighted on page 6 when comparing a line which was linked to a separate follow on report from 23/24 making it difficult to read and it was agreed that this could be addressed in future to improve the format. **ACTION: ELF**

At this point Scott McCready was thanked for his input and he left the meeting. It was noted that a meeting between Scott McCready and Elaine French had been scheduled for January 2026 to discuss the internal audit proposal for 2026/2027, with this due to come to the June 2026 Audit Committee meeting. **ACTION: ELF/Scott McCready**

Item 5d Assurance in lieu of Internal Audit (Executive Summary, i) Audit Assurances)

The Committee noted that this report was in lieu of the pause in the Internal Auditors' appointment, with SLT providing internal audit assurance to the Committee.

- The contents of the paper were noted.
- The Committee Chair and Vice Principal had had a telephone conversation yesterday to go through the various items prior to the meeting.
- It had been agreed that the in house internal audit for this year would be on a highest risk based process and following the above telephone call it was also noted that the internal audit issues should be mapped more closely to the respective risks.

- Since the last meeting the Principal had reviewed the Committee's terms of reference and referred to SFCA guidance to ensure SLT's internal assurance report was adequate during this year and also compared the internal assurance matters with the College's risk assurance map.
- Input from the Committee was invited for discussion including any areas where further assurance was required, together with noting the Committee's point raised earlier regarding the ILR audit assurances. Regarding the latter, the Principal and Vice-Principal advised that this would be useful to include this in next year's (26/27)Internal Audit plan when the Internal Auditors are re-appointed and would be particularly relevant bearing in mind that this is a high risk area and in light of the fact that the College's Student numbers have growth this year. Regarding the ILR the Principal advised that the College had recruited an ILR consultant in the previous academic year. There has also been a change of staffing in this area to ensure that the ILR is accurate. The Committee queried the ILR assurance matter bearing in mind that the ILR was included in the annual internal audit plan and in response SLT advised that with the expertise of the ILR consultant recruited, they were not concerned about deferring the ILR internal audit until 26/27.
- The Principal outlined that Internal assurance received in previous years from the Internal Auditors was mainly positive with 9 strong assurances, 5 substantials and 2 weak which have already been addressed.
- In response to a request from the Committee referring to the Summer Term meeting discussions about suspending the Internal Auditors and requesting that management reviews in internal audit areas be presented to Committee, it was requested that a paper be prepared for the next meeting on this basis in respect of areas needing to improve together with a timescale for action. Regarding the ILR and noting that SLT had meetings every 3 weeks with the ILR consultant, it was resolved to bring a paper to the March 2026 meeting. **ACTION: Principal**

  ● In response to the issues raised in Paul Herridge's telephone conversation with the Vice-Principal yesterday regarding the meeting papers and assurances required, it was agreed that an additional column should be added to the current paper entitled "related risk" plus links to the Risk Register and Risk Assurance Map as appropriate. Referring to item 9c Risk Assurance Map below, the Principal proposed that an updated version should be brought back to the March 2026 Audit Committee meeting, with an additional column and or/ with further internal assurances detailed in the document, with colour coding where necessary and appropriate links to the risk register. **ACTION: Principal.**

  ● The Committee questioned the reappointment of the internal auditors and what would happen if it was decided not to proceed with Wylie Bissett and it was confirmed that should this scenario take place, there would always be a handover meeting in respect of any outstanding items which would then be actioned by the new team.

  ● Notwithstanding the statutory requirement to have an Audit Committee, during this year without an Internal Auditor and noting the additional time required by the Finance Team to provide internal assurance work to the Committee, the Committee wanted to ensure it was providing adequate support and value to this internal process this year, without placing too much additional work on to the Finance Team

  ● The Committee also reiterated that it had recognising the capacity pressures on both the Finance and Senior Leadership Team and that immediate solutions weren't necessarily resolvable at this meeting, but would be kept under review going forward and that it should be added as a risk in the risk register, also noting the essential focus required on reducing the staff pay ratio discussed earlier. It was also suggested that this risk should be added to the Annual Report of the Audit Committee and the Principal agreed to draft wording to be included in both the risk register and the Chair agreed to draft it for the Annual Report. **ACTION: Principal/ Chair of Audit.**

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Thanks were recorded to the Principal and Vice-Principal for their reports.

6. **Minutes of the Meeting on June 2025**

The minutes were approved and the Chair authorised to sign these: **ACTION: Chair/LEP**

In response to a point raised regarding the Internal Audit discussions held during last term relating to SLT's proposal to pause the internal auditors for 1 year, it was agreed that the notes arising from the discussions and meetings, should be appended to the June 2025 Audit Committee meeting for the record. **ACTION: ELF**

7. **Matters Arising**

a) Action Points Schedule – Progress Report

The Committee considered the various actions on the schedule, noting those which had been completed and would be removed going forward and others which were on the agenda.

Other points:

- The Committee referred to the last minutes which minuted an estimated £15K saving in pausing internal audit and questioned this calculation from the accounts where the expenditure is recorded as approximately £5K. Elaine French confirmed that the internal audit costs were in fact in the region of £9K plus VAT and that the accounts reflected the timing of the various invoices rather than the overall annual cost. Elaine French agreed to attach calculations to these minutes to reflect the various costs per year for internal audit. **ACTION: ELF see below post meeting addition.**

2022-23	**£6,192**
2023-24	**£7,740**
2024-25	**£7,224**

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b) Rolling Action Plan – External Audit and Internal assurance (in house)

(Note from a previous meeting - Elaine French will review both a) and b) and ensure that there is no duplication of action records ***ACTION: Elaine French)***

Elaine French presented the rolling action plan and highlighted the following points followed by any questions from the Committee:

- This is the key reference document for recording all audit recommendations but noting that it doesn't yet include the latest External Audit recommendations as the EA report was received after the rolling action plan had been issued – this will be updated for the next meeting.
- All the recommendations which have been completed are marked in "green".
- New finance system implementation target has been reviewed while SLT are exploring three different systems One provider of a new system has been considered so far although other providers will be considered in the New Year, following this a review and tender exercise will be completed prior to agreement and implementation. Implementation will be September 26

at the earliest as the Principal andVP Resources are committed to ensuring it is a better system than SAGE.
- The Finance Team has already introduced a new Payroll system with effect from this financial year which has had a marked improvement in the accessibility of data for Finance reporting.
- The Committee suggested in terms of the new finance system, whether it would be more appropriate to implement this with effect from the start of a new academic year and also referenced some of the External Audit recommendations regarding the asset register and payments, which seemed to imply that the new finance system was already in place.

8. Annual Report of the Audit Committee

The contents of the Audit Committee Annual Report were reviewed and recommended to Corporation for approval, subject to adding the issue of concern raised regarding staffing capacity issues as discussed earlier, together with noting the proposed new risk relating to this to be added to the Risk Register. **ACTION: DMJ/LEP**

9. Risk Management – including various updates from last Meeting

Executive Summary

a) Risk Management Annual Report
b) Risk Register and Management Action Plan
c) Assurance Map

Elaine French presented the Risk Management documents to the Committee and the following points were discussed:

- Reference was made to the various points raised earlier in the meeting regarding additional risks.
- Regarding changes in the Risk Register, it was suggested that it would be useful for future updates on this to highlight any changes/additions etc **ACTION: DMJ/ELF**
- Curriculum changes have been recorded within risk C3 and taking into account the new FE White Paper which focuses upon skills, including new qualifications (V levels – vocational). The College had introduced a new vocational qualification AAQ – which will be discontinued after only 2 years. The risk relates to the uncertainty regarding vocational qualifications and the future of the V Level which the DfE is aiming to offer to Students from September 2027. The change in the risk is necessary as approximately 1/3 of Students do take vocational courses at Varndean and the risk could be to student outcomes should the courses not be viable as well as to staff workload.
- The Committee queried whether there was an additional risk in respect of the College's IB offer and it was acknowledged that this was a high value course, but that the IB programme was not thought to be at risk,however, it is now going to draw less funding. It was agreed that a sub-section could be added in respect of the IB to take the financial risk in terms of Student numbers into account. Furthermore, as the AAQ had been underfunded owing to a DfE error (£190K cost this year) that this risk should also be added as a sub-section within C3. **ACTION: DMJ**

- Following an observation from the Committee regarding difficulties in identifying changes in the Risk Register, it was agreed that an update on key actions per risk since the last meeting, in addition to the use of arrows to reflect changes – including an arrow for no change. **ACTION: DMJ/ELF**
- At this point Elaine French summarised the updates made since the last meeting for the Committee's information – including MA1, HR2 and FE2.
- In response to a question about the recent growth in Student numbers (additional 200), it was noted that this reflected an increase in the demographics and it was also noted that this year the IB had a waiting list. SLT has held strategy day to review Student growth and capacity management and confirmed that next year it was likely that the maximum increase in Student numbers would be 80 additional Students, reflecting the estates capacity.
- Risk Assurance Map – as recorded earlier an additional column will be added to the document for the next meeting. **ACTION: DMJ/ELF**
- Risk Management Annual Report – the contents of the document were noted including the summary of the risk management processes, changes made to the risk register and actions taken last year.
- The Committee confirmed that with the recommendations for updates and further information within the various documents, improved assurance would be gained by the Committee and the Corporation as a whole.
- In response to a question regarding JISC within item 9b and risk MA7 – information security services it was confirmed that the IT Team were taking forward the cyber essentials' actions and always working on the digital aspects. It was agreed that an update on Cyber, Digital strategy and standards, plus AI should be given at the next meeting. **ACTION: DMJ**

Subject to the points made above, the Committee recommended the Reports to Corporation for approval. **ACTION: ELF**

10. Internal Auditors' Performance Indicators – review of 2024/2025

The Committee reviewed the 24/25 Internal Auditors' Performance Indicators which were endorsed together with confirmation that point 7 and 10 should also be rated "high". The performance indicators were recommended to Corporation for approval.
ACTION: ELF

11. Reappointment and Remuneration of Internal Auditors – deferred to the Summer Term 2026. **ACTION: Elaine French**

In response to a question from the Committee noting that the Internal Audit Report above referred to the "extension of 2 years to July 2025" and it was queried whether the rules allowed for a further extension to be agreeD or would it be more appropriate to proceed with a procurement exercise.

In response Elaine French confirmed that she would liaise with Scott McCready to check the contract procurement section but confirmed that although the College would be able to complete a procurement process but that this would not be essential (noting the cost element) and SLT would recommend that the existing Internal Auditors be reappointed for the next 3 years, noting their knowledge of the College and high level of audit work to date. The Internal Auditors would be required to present a 3 year audit plan and costing proposal to be considered by the Governing Body, via the Audit Committee. Action for Elaine French to take forward from Spring Term 2026. **ACTION: ELF**

It was also noted that Elaine French and Scott McCready already had a meeting scheduled for January 2026 to review next year's internal audit.

12. Policies and Other Documents

a) Critical Incident Plan – Executive Summary
b) Critical Incident Plan

The Principal presented the Critical Incident Plan to the Committee confirming that she'd completed the necessary operational training and highlighted the new requirements to be brought into effect by July 2027 based on Martyn's Law (The Terrorism (Protection of Premises) Act 2025) which requires publicly accessible venues and events to improve their security and preparedness against terrorism. It was noted that the College was working with BHASVIC on this and was aiming to implement the new requirements as soon as possible, which would also include updating the College's IT systems. The College's Critical Incident Plan would also need updating once these were in place to reflect the changes.

The Critical Incident Plan has also been updated with regard to the contact list and all names referenced in the document.

Referring to page 17, the updated wording relating to communicating with the media, arising from an incident, was highlighted and it was confirmed that the police decide who should talk to the media.

In response to a question from the Committee regarding planned timelines in respect of the actions required, the Principal reported that the initial procurement of the central communications process had a deadline of July 2026 and she confirmed that a timeline and infrastructure would be in place, including Staff training scheduled for September 2026; training for Students would also be provided at the start of the 2026/2027 academic year. The overall cost of this implementation was in the region of £5K.

Following a suggestion from the Committee, the Principal agreed to add dates within the Plan in respect of each of the key actions, together with an explanation of Martyn's Law, and the DfE guidelines and also version date at the top of page 1 to enable the Audit Committee to note that the annual check has been done. **ACTION: DMJ**

The 'what three word' system was also highlighted – in the event of a terrorist attack. This is with regards to the location grid system of 'what three words'.

Referring to page 2, it was also suggested that the wording relating to "All staff should be aware of this policy………" Should be revised to replace "should" with "will" together with an explanation of how this action has been met. **ACTION: DMJ**

SLT have all received training.

The Critical Incident Plan as revised was recommended to Corporation for approval. **ACTION: DMJ**

Notes: Policies and Documents due Spring Term 2026

Financial Regulations
IT Disaster Recovery Plan
Digital Strategy Documents: Digital Strategy plan and Digital Strategy Road Map

13.Fraud and Whistleblowing Report – verbal update

Elaine French confirmed that there was nothing to report in this area.

13. Date of Next Meeting: Thursday 12th March 2026 10.15 A.M.

Carrie Llewellyn submitted her apologies for this meeting - *post meeting, apologies withdrawn.*

15. Any Other Business

a) **To review and agree papers to be included in the December 2025 Corporation Meeting Pack –** as per minutes above.

16. Confidential Business – if any – None.

17. Enclosures for reference:

a) Audit Committee Terms of Reference – for reference purpose
b) **Risk Management Policy – for reference purposes**

15. Confidential Business – none.

Chair………………………………….Date…………………………

Louise Pennington 27/11/25