



**External minutes (Final)**

**MINUTES OF CIRENCESTER COLLEGE  
AUDIT COMMITTEE MEETING  
Monday 12<sup>th</sup> June 2023 at 5.00 pm**

Board Room at Cirencester College. This meeting was also available via Microsoft Teams.

**Present:**

Tony FitzSimons (TF)  
Chris Haslam (CH) (via Teams)  
Nicole Saunders (NS) (via Teams)  
Andrew Tubb (AT)  
Julian Tudsbury (JT) (via Teams) (Chair of Audit Committee)  
David Zan-Kreyser (DZK) (Meeting Chair)

By prior agreement, DZK was Meeting Chair for this meeting.

**In attendance:**

Nick Case (NC) (Cirencester College, IT Manager)  
Angelo Faria (AF) (Cirencester College, Finance Director)  
Karen Fraser (KF) (Cirencester College, VP Student Journey and External Relations)  
Jon Marchant (JM) (Engagement Partner, Mazars LLP)  
Jacqui Parry-Jones (JPJ) (Cirencester College, Head of Human Resources)  
Jeannie Adam (JA) (Clerk to the Corporation)

GC – Governor comment.

GQ – Governor question.

CD – Committee decision.

1.	<b><u>Apologies</u></b>  There were no apologies. All committee members were present. The meeting was quorate.
2.	<b><u>Declarations of interest</u></b>  No member declared an interest in any item on the agenda.
3.	<b><u>Losses and fraud/whistleblowing (Confidential - included in confidential minutes only)</u></b>  a. Notification of incidents of losses and fraud since the last meeting (verbal report).

	<p>There have been no incidents of losses or fraud since the last meeting of the Audit Committee.</p> <p>b. Notification of any Whistleblowing incidents since the last meeting (verbal report).</p> <p>There have been no whistleblowing incidents since the last meeting of the Audit Committee.</p>
4.	<p><b><u>Minutes of previous meeting (6<sup>th</sup> March 2023)</u></b></p> <p>a. <b><u>Confidential internal minutes</u></b></p> <p>The confidential internal minutes of the Audit Committee meeting on 6<sup>th</sup> March 2023 had been issued with the agenda for the meeting. The minutes were agreed to be an accurate record of the meeting and were signed by the Meeting Chair.</p> <p>b. <b><u>External minutes</u></b></p> <p>The external minutes of the Audit Committee meeting on 6<sup>th</sup> March 2023 had been issued with the agenda for the meeting. The minutes were agreed to be an accurate record of the meeting and were signed by the Meeting Chair.</p>
5.	<p><b><u>Matters arising from the minutes of the previous meeting not covered within the agenda of this meeting.</u></b></p> <p>Item 14di – safeguarding, wellbeing, welfare, tutorial, enrichment, careers and progression review tracker.</p> <p><b>Action - AF and KF to finalise the details of the safeguarding, wellbeing, welfare, tutorial, enrichment, careers and progression review tracker and send final document to the Clerk.</b></p>
6.	<p><b><u>HR System (confidential)</u></b></p> <p>The Head of HR gave a verbal update regarding the implementation of the HR system to the committee. The details of the discussions are recorded in the confidential internal minutes for the meeting.</p> <p><b>JPJ left the meeting.</b></p>
7	<p><b><u>IT and Cyber-security report (confidential)</u></b></p> <p>a. <b><u>IT and cyber-security report June 2023.</u></b></p> <p>The details of the discussions are recorded in the confidential internal minutes for the meeting.</p>

	<p><b>b. <u>IT and cyber security risk register June 2023.</u></b></p> <p>The details of the discussions are recorded in the confidential internal minutes for the meeting.</p> <p><b>KF and NC left the meeting.</b></p> <p><b>JM joined the meeting.</b></p>
8.	<p><b><u>Annual Strategic Conversation 2023</u></b></p> <p>The letter from the ESFA (18<sup>th</sup> May 2023) which summarises the annual strategic conversation meeting held on 19<sup>th</sup> April 2023 had been issued with the agenda for the meeting.</p> <p>GC – The meeting is a useful exercise and the information in the summary letter provides a good level of assurance to the Audit Committee.</p> <p>The Committee noted the letter from the ESFA (18<sup>th</sup> May 2023).</p>
9.	<p><b><u>ONS reclassification</u></b></p> <p>The ESFA further guidance to aid the meeting of the new requirements following reclassification: ‘College requirements regarding asset disposals (updated 12<sup>th</sup> April 2023)’ had been circulated with the agenda for the meeting.</p> <p><i>Please note – Managing Public Money (MPM) and the 5 other bite size guidance documents had been issued to the committee at its meeting on 6<sup>th</sup> March 2023.</i></p> <p>The Finance Director commented that requirements of MPM and the bite sized guides will be considered by the external auditors. The return which was required for the end of March 2023 was submitted.</p> <p>The Committee noted the ESFA bite sized guide ‘College requirements regarding asset disposals (updated 12<sup>th</sup> April 2023).’</p>
10.	<p><b><u>Interim Risk Management Report</u></b></p> <p>The interim Risk Management Report (June 2023) had been circulated with the agenda for the meeting.</p> <p>The Finance Director drew the attention of the meeting to:</p> <ul style="list-style-type: none"> <li>• The potential to bring the surplus down to 1.5-2% will give the new Principal flexibility.</li> <li>• It is anticipated that 150-200 students will be lost after September 2023 enrolments.</li> </ul> <p>GC – Retention of the September 2023 intake is key.</p>

	<p>A – The pastoral team has been increased and there is strong focus on lecturer recruitment.        GQ – What is the college capacity?        A – 3100 to 3200 allowing for the new buildings and catering facilities. As measured by ESFA metrics (5m<sup>2</sup> per student) the college is in space needs deficit. This will improve if the 2 outstanding bids are successful and could take capacity up to 3400.</p> <p>The committee noted the interim Risk Management Report (June 2023).</p>
<p>11.</p>	<p><b><u>Risk Assurance Register</u></b>        a. Risk Assurance Register as of June 2023.</p> <p>The Risk Assurance Register (June 2023) had been circulated with the agenda for the meeting.</p> <p>The Finance Director drew the committee’s attention to the changes to the register:</p> <ul style="list-style-type: none"> <li>• Combination of previous risks 7 (diminished reputation for outstanding provision) and 8 (negative media coverage).</li> <li>• New risk 6 – student transport.</li> <li>• New risk 8 – violent attack on campus.</li> </ul> <p>GQ – Who is involved to mitigate the risk of a violent incident?        A – Security and staff cover areas of the campus where CCTV coverage is limited. SLT, managers and lecturers meet students on arrival in the mornings. Pastoral team and Student Journey team monitor at lunchtimes.</p> <p>The committee noted the Risk Assurance Register (June 2023).</p>
<p>12.</p>	<p><b><u>Internal audit 2022-2023</u></b>        The committee noted the current status of the internal audits for 2022-2023 (as approved by Corporation on 27<sup>th</sup> June 2022).</p> <p>a. Core financial controls – from TIAA.</p> <p><b>CD – The committee noted that the core financial controls audit is scheduled for 26<sup>th</sup>- 28<sup>th</sup> June 2023.</b></p> <p>b. Cyber security assurance</p> <p><b>CD - The committee noted that agenda item 7a refers. The IT Manager will continue to report to the Audit Committee regarding the delivery of a penetration test. This item to remain open and to be added to the agenda for Audit Committee in November 2023.</b></p>

	<p>c. Employer related review – work placements, work experience etc.</p> <p><b>CD – The committee noted that this item will be considered by the Interim Principal, Finance Director and VP Student Experience and External Relations. This item to remain open and to be added to the agenda for Audit Committee in November 2023.</b></p> <p>d. Safeguarding, wellbeing, welfare, tutorial, enrichment, careers and progression review 17<sup>th</sup> and 18<sup>th</sup> November 2022</p> <p><b>CD – The committee noted that this item was covered in agenda item 5 – matters arising.</b></p>
13.	<p><b>Internal audit 2023-2024</b></p> <p>a. The guidance document ‘The scope of the work of audit committees and internal auditors in college corporations’ had been circulated with the agenda for the meeting. The attention of the committee had been drawn to Annex A which refers to areas for the Audit Committee to consider.</p> <p>The committee noted the guidance document ‘The scope of the work of audit committees and internal auditors in college corporations.’</p> <p>b. Recommendations for internal audits for 2023-2024.</p> <p>CD - Recommendations to the Corporation meeting on 26<sup>th</sup> June 2023 regarding potential areas for internal audit during 2023-2024 were:</p> <ul style="list-style-type: none"> <li>• New HR system – following the introduction of the new HR system and to seek assurance for data quality, access controls, error reports.</li> <li>• Staff recruitment and retention – to challenge staff retention, recruitment expenditure and link to student experience.</li> <li>• ILR data – to provide assurance given the critical need for accuracy for the ESFA.</li> <li>• Financial controls, budgeting and effective financial reporting – June 2024 via TiAA.</li> </ul> <p>GQ – How would an internal audit be framed around the new risk of a violent incident or reputational risk?</p> <p>A – Interim Principal and SLT could be asked to scope out the risk. Further information is needed especially around any changes to any violent incidents on campus or trends that have been identified.</p> <p><b>Action – Finance Director, as Risk Manager, to report to Audit Committee in November 2023 regarding issues of violence on campus and trends identified.</b></p>

14.	<p><b><u>External audit (confidential)</u></b></p> <p>a. Mazar’s Audit Strategy Memorandum (year ending 31 July 2023) had been circulated with the agenda for the meeting.</p> <p>The details of the discussions are recorded in the confidential internal minutes for the meeting.</p> <p><b>JT left the meeting.</b></p>
15.	<p><b><u>Post 16 Audit Code of Practice 2022-2023</u></b></p> <p>a. The Post 16 Audit Code of Practice 2022-2023 (issued April 2023) had been circulated with the agenda for the meeting and was noted by the committee.</p> <p><b><u>Regularity Self-Assessment Questionnaire</u></b></p> <p>b. The draft of the Regularity Self-Assessment Questionnaire 2022-2023 had been circulated with the agenda for the meeting.</p> <p><b>CD and action– The committee agreed to recommend to the Corporation that it approve the Regularity Self- Assessment Questionnaire 2022-2023 and authorise the Chair of the Corporation and the Interim Principal as Accounting Officer to sign on behalf of the Corporation.</b></p> <p>c. The draft letter to Mazars regarding regularity assurance engagement for the period ended 31 July 2023 had been circulated with the agenda for the meeting.</p> <p><b>CD and action - The committee agreed to recommend to the Corporation that the authority be granted for the Finance Director to sign the draft letter to Mazars regarding regularity assurance engagement for the period ended 31 July 2023 on behalf of the Corporation.</b></p>
16.	<p><b><u>College Accounts Direction 2022-2023 – Financial reporting requirements for sixth form colleges and further education colleges – April 2023</u></b></p> <p>The College Accounts Direction 2022-2023 had been circulated with the agenda for the meeting and was noted by the committee.</p> <p>The College Accounts Direction 2022-2023 will be issued to all governors via the Corporation meeting on 26<sup>th</sup> June 2023.</p>
17.	<p><b><u>College Financial Planning Handbook 2023</u></b></p> <p>The College financial planning handbook 2023 (Financial outturn requirements for the year 2022 to 2023 and financial planning requirements for the years 2023 to 2024 and 2024 to 2025 for further education and sixth-form college corporations)’ (May 2023) had been circulated with the agenda for the meeting and was noted by the committee.</p>

	<p>The Finance Director commented that the mandatory College Financial Forecasting Return (CFFR) will be submitted by 31<sup>st</sup> July 2023. This reflects the 2023-2024 budget and the 2024-2025 forecast as approved by Corporation on 24<sup>th</sup> April 2023. Corporation will continue to receive the management accounts and commentary at each meeting.</p> <p>The committee noted that the mandatory CFFR will be submitted by 31<sup>st</sup> July 2023.</p> <p>The College Financial Planning Handbook 2023 will be issued to all governors via the Corporation meeting on 26<sup>th</sup> June 2023.</p>
18.	<p><b><u>Policies</u></b></p> <p>The following policies had been circulated with the agenda for the meeting:</p> <ol style="list-style-type: none"> <li>a. Fees and Income Policy 2022-2023.</li> <li>b. Fees and Income Policy 2023-2024.</li> </ol> <p>c. CD - The committee unanimously agreed to recommend to the Corporation on 26<sup>th</sup> June 2023 approval of the Fees and Income Policy 2022-2023 and the Fees and Income Policy 2023-2024.</p>
19.	<p><b><u>Audit Committee</u></b></p> <ol style="list-style-type: none"> <li>a. The Audit Committee Terms of Reference (Standing Order Appendix 5A) had been circulated with the agenda for the meeting.</li> </ol> <p><b>CD and action - The committee approved the changes made in line with the Post 16 Audit Code of Practice 2022-2023 and will recommend to the Corporation at its meeting on 26<sup>th</sup> June 2023 that it approve the Audit Committee Terms of Reference (Standing Order Appendix 5A).</b></p>
20.	<p><b><u>Audit Committee Self-Assessment Questionnaire (SAQ) 2022-2023</u></b></p> <p>The draft of the Self-Assessment Questionnaire 2022-2023 (SAQ) of the Audit Committee had been circulated with the agenda for the meeting.</p> <p>CD – The committee approved the SAQ for 2022-2023.</p> <p><b>Action – Clerk to issue the final version of the SAQ 2022-2023 to the committee members before the end of term.</b></p> <p><b>Action – Committee members to complete and return the SAQ 2022-2023 to the Clerk before 1<sup>st</sup> September 2023.</b></p>
21.	<p><b><u>Any Other Business</u></b></p>

	<p>a. A paper outlining the increasing IT licence fee budget by £42k had been circulated with the agenda for the meeting and was noted by the committee.</p> <p>b. A paper outlining the impairment write offs to Davis Block and if applicable, to the Refectory had been circulated with the agenda for the meeting and was noted by the committee.</p>
20.	<p><b><u>Date of the next meeting</u></b>          Subject to the approval of the Calendar of Meetings 2022-2023 (Standing Order 8) at the Corporation meeting on 26<sup>th</sup> June 2023 - the next Audit Committee Meeting is proposed to take place at 5pm on 20<sup>th</sup> November 2023 in the Board Room at Cirencester College.</p> <p>The meeting closed at 7.00pm</p> <p>Signature of Chair of Audit Committee: <i>David ZK</i> .....</p> <p>David Zan-Kreyser.</p> <p>Date: <i>20<sup>th</sup> Nov 2023</i> .....</p>

Committee action from this meeting and outstanding business for the next meeting			Complete?
Item 5	AF and KF to finalise the details of the safeguarding, wellbeing, welfare, tutorial, enrichment, careers and progression review tracker and send final document to the Clerk.	AF and KF	Pending/matters arising.
Item 12b	Cyber security assurance CD - The committee noted that agenda item 7a refers. IT and cyber security report will continue to report to the Audit Committee regarding the delivery of a penetration test	This item to remain open and to be added to the agenda for Audit Committee in November 2023.  Clerk	14/6/2023 – Complete. Added draft agenda for Audit Committee in November 2023.
Item 12c	Employer related review – work placements, work experience etc. CD – The committee noted that this item will be considered by the Interim Principal, Finance Director	This item to remain open and to be added to the agenda for Audit Committee in November 2023.  Clerk	14/6/2023 – Complete. Added draft agenda for Audit Committee in November 2023.



	and VP Student Experience and External Relations.		
Item 13b	<p>Recommendations to the Corporation meeting on 26<sup>th</sup> June 2023 regarding potential areas for internal audit during 2023-2024 were:</p> <ul style="list-style-type: none"> <li>• New HR system – following the introduction of the new HR system and to seek assurance for data quality, access controls, error reports.</li> <li>• Staff recruitment and retention – to challenge staff retention, recruitment expenditure and link to student experience.</li> <li>• ILR data – to provide assurance given the critical need for accuracy for ESFA.</li> <li>• Financial controls, budgeting and effective financial reporting (June 2024)</li> </ul>	<p>This item to be added to the agenda for Corporation on 26<sup>th</sup> June 2023.</p> <p>Clerk</p>	<p>14/6/2023 – Complete. Added to agenda for Corporation on 26<sup>th</sup> June 2023.</p>
Item 13b	<p>Finance Director as Risk Manager, to report to Audit Committee in November 2023 regarding issues of violence on campus and trends identified.</p>	<p>Finance Director</p>	<p>14/6/2023 – Added to agenda for November 2023 in Risk Register item.</p>
Item 14a	<p>Requirements arising from the ONS reclassification and covered in MPM, the bite-sized guides and the 'Dear Accounting Officer' letter of 29<sup>th</sup> November 2022 will be added to the Financial Regulations and brought to Audit Committee in November 2023 for review and recommendation to Corporation.</p>	<p>Action – Finance Director to prepare revised Financial Regulations for review by Audit Committee in November 2023.</p> <p>Action – Clerk to add review of Financial Regulations to Audit</p>	<p>14/6/2023 – Complete added to agenda for November 2023</p>

		Committee agenda for November 2023.	
Item 14b	The committee agreed to recommend to the Corporation that it approve Mazar’s Audit Strategy Memorandum (year ending 31 July 2023).	Audit Committee	14/6/2023 - Added to agenda for Corporation meeting on 26 <sup>th</sup> June 2023.
Item 15b	The committee agreed to recommend to the Corporation that it approve the Regularity Self-Assessment Questionnaire 2022-2023 and authorise the Chair of the Corporation and the Interim Principal as Accounting Officer to sign on behalf of the Corporation.	Audit Committee	14/6/2023 - Added to agenda for Corporation meeting on 26 <sup>th</sup> June 2023.
Item 15c	The committee agreed to recommend to the Corporation that the authority be granted for the Finance Director to sign the draft letter to Mazars regarding regularity assurance engagement for the period ended 31 July 2023 on behalf of the Corporation.	Audit Committee	14/6/2023 - Added to agenda for Corporation meeting on 26 <sup>th</sup> June 2023.
Item 18c	The committee unanimously agreed to recommend to the Corporation on 26 <sup>th</sup> June 2023 approval of the Fees and Income Policy 2022-2023 and the Fees and Income Policy 2023-2024.	Audit Committee	14/6/2023 - Added to agenda for Corporation meeting on 26 <sup>th</sup> June 2023.
Item 19	The committee approved the changes made in line with the Post 16 Audit Code of Practice 2022-2023 and will recommend to the Corporation at its meeting on 26 <sup>th</sup> June 2023 that it approve the Audit Committee Terms of Reference (Standing Order Appendix 5A).	Audit Committee	14/6/2023 - Added to agenda for Corporation meeting on 26 <sup>th</sup> June 2023.

Audit Committee  
 External minutes (final)  
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Item 20	<p>Clerk to issue the final version of the SAQ 2022-2023 to the committee members before the end of term.</p> <p>Committee members to complete and return the SAQ 2022-2023 to the Clerk before 1<sup>st</sup> September 2023.</p>	<p>Clerk</p> <p>Audit Committee</p>	<p>Issued by email 12/7/2023</p> <p>4 SAQs returned</p>
<b>Committee action from previous meetings.</b>			<b>Complete?</b>
	None		

