

**MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 3<sup>rd</sup> MARCH 2025 AT 4:30PM  
AT THE KINGSWAY CAMPUS**

<b>Present:</b>	Karen Banks Jayne Edwards Paul Leatherbarrow Andrew MacManus	External Governor ( <i>Chair</i> ) Co-opted Governor External Governor External Governor
<b>In Attendance:</b>	Leeann Bellfield Julie Holland Helen Smith  Vici Cadwallader-Webb Catherine Shaw	Vice Principal, Head at Cronton Deputy Principal (Finance & Resources) Assistant Principal (Marketing & School Liaison) Director, ICCA (Internal Auditor) Head of Governance

The Committee met with the Internal Auditor in the absence of the College's senior managers to ascertain whether there were any matters they wished to raise. The Auditor advised they had no issues of concern.

Julie Holland (Deputy Principal, Finance & Resources), Leeann Bellfield (Vice Principal, Head at Cronton) and Helen Smith (Assistant Principal, Marketing & School Liaison) joined the meeting. The Chair welcomed all attendees.

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received and accepted for Rachael Owen (External Governor). The Head of Governance advised that there were no reports to be presented by Beever & Struthers and therefore attendance by the External Auditors was not required.

**2. DECLARATION OF INTERESTS**

None declared.

**3. MINUTES**

**3.1 To approve the minutes of the previous meeting held on 18<sup>th</sup> November 2024  
(previously circulated)**

The Committee reviewed the minutes from the previous meeting.

**Resolved** - The minutes of the meeting held on 18<sup>th</sup> November 2024 were **approved** as a correct record.

3.2 **To review the action log and to consider any matters arising from the minutes (previously circulated)**

The action log was reviewed and the Committee noted that all outstanding actions had been completed.

**Resolved:** The Committee **noted** the contents of the report.

**4. PRESENTATION ON ACHIEVEMENT OF PLANNED ADULT ENROLMENT**

Linked to Strategic Risk 1 'Achievement of planned student numbers', the Assistant Principal (Marketing and School Liaison) delivered a presentation with a focus on the achievement of planned enrolment in respect of adult learning programmes. Key highlights included:

Funding Complexities

- Adult funding had not increased in over a decade with some courses having reduced in value. Furthermore, the Government had recently announced that a reduction in adult funding was imminent.
- The majority of courses had different funding values. Some courses were only available at no cost should the adult learner reside in a specific geographical area
- Dependent upon criteria there were several different funding streams which included (i) Liverpool City Region Combine Authority, (ii) Education and Skills Funding Agency, (iii) Advanced Learner Loans and (iv) Multiply

Curriculum Planning

- Vital importance to ensure funded courses aligned with market/employer needs
- There had to be a sufficient number of students for the course to be viable. Once this was established, it was necessary to ascertain whether day, evening or remote study would be most suitable and to ensure there were adequate resources for course delivery

Adult Market

- Unlike school marketing and liaison, there was a challenge in establishing ways the College could effectively reach potential students and convert to enrolment
- Additional barriers included the time commitment required to study, given other personal/employment commitments

Ofsted Inspection 2024

Despite the significant challenges outlined, the provision of Adult Learning Programmes was graded as outstanding.

In conclusion to her presentation, the Assistant Principal showed a recording of a former adult learner who started on an HE Access course, remained at the College and progressed onto achieving higher qualifications and subsequently graduated from a local university with an accountancy qualification.

Numerous questions were asked and responded to. In doing so, the Assistant Principal confirmed (i) the various ways the College marketed adult courses, (ii) how the admission processes varied dependent upon the course, (iii) effective advice and guidance was of paramount importance to ensure the right student was enrolled onto the

right course; this was supported by key performance indicators evidencing a low dropout rate and (iv) the critical importance of effective curriculum planning, working with Heads of Curriculum and external partners to remove any potential barriers and maximise the adult funding available.

**Resolved:** The Committee **noted** the report.

*The Assistant Principal was thanked for her informative presentation which directly related to Strategic Risk 1 was also noted to link to a key area within the College's Quality Improvement Plan.*

## **5. INTERNAL AUDIT REPORTS**

### **5.1 Strategic and Business Planning** *(previously circulated)*

The Internal Auditor presented this report and provided the Audit Committee with substantial assurance that the areas tested during the audit were designed and operated effectively. No significant weaknesses or recommendations for improvement had been identified. The following aspects from the audit were highlighted:

- Strategic Planning – it was evident that the College had developed a robust strategic and business planning approach, resulting in significant growth and maintenance of high standards over the past decade
- Strategic Priorities – three defined strategic aims were each supported by specific mechanisms and strategies
- Review of Key Performance Indicators (KPIs) – the College had developed a range of measurable KPIs to monitor performance and progress towards strategic ambitions

A discussion ensued during which a Governor referred to section 1.2 of the report and the audit being relevant to Risk 8 on the key Strategic Risk Register 'response to external environment.' It was agreed that the nature of the strategic and business planning audit was not confined to this specific risk and provided a level of assurance across other aspects of the College's Risk Register.

For benchmarking purposes, a Governor asked how Riverside College compared with other colleges in respect of this audit. In response, the Internal Auditor advised that it was highly favourable, though 'expected' outcome based upon the overall performance of the College substantiated by the outstanding Ofsted inspection reports and the annual confirmation from the ESFA that the College had sustained outstanding financial health over several years.

**Resolved:** The Committee **noted** the contents of the report.

### **5.2 IT Data Security, Infrastructure & Disaster Recovery** *(previously circulated)*

The Internal Auditor presented this report and provided the Audit Committee with substantial assurance that the areas tested during the audit were designed and operated effectively with no significant weaknesses. Four recommendations were made to enhance the controls already in place; one being of a medium level nature and three categorised as low.

The following aspects from the audit were highlighted:

- IT data security – the College had a robust approach which was supported by up-to-date technologies and appropriate governance structures. The College had

obtained the Cyber Essentials certification, as required by the Department for Education (DfE)

- Disaster Recovery – the College had a Disaster Management Plan and IT Disaster Recovery Plan with separate server rooms providing high resilience. The rooms had robust physical and environmental security controls.

A discussion focused on the medium level recommendation that had been made relating to 'testing the recovery facilities' and ensuring that a formal system of high level testing was established. The Deputy Principal (F&R) assured the Committee that the recommendations had been accepted by College Management and swift action taken in implementation which included the creation of a disaster scenario that would be evidenced and the outcomes considered by the Risk Management Group.

In response to a question raised by a Governor, the Deputy Principal (F&R) confirmed that adequate cyber security/IT insurance cover was in place.

In line with the preceding agenda item, for benchmarking purposes a Governor asked how the College compared to others in respect of this audit. In response, the Internal Auditor advised that it was extremely positive, with Riverside College being in the top quartile of their client base within the FE sector.

**Resolved:** The Committee **noted** the contents of the report.

### 5.3 **Progress Report Internal Audit Plan 2024/2025**

The Internal Auditor informed the Committee that the Internal Audit Plan was on track for completion, as approved at the start of the academic year. Reference was made to agenda item 6.1 in respect of the agreed schedule and the remaining audits that were to be undertaken by the end of 2024/2025.

**Resolved:** The Committee **noted** the update.

### 5.4 **Emerging Issues in the FE Sector**

The Internal Auditor summarised emerging issues in the sector. Within her summary, the Internal Auditor advised of likely changes to the landscape concerning adult education. Plans were in place to increase the number of devolved mayoral combined authorities across the country with one of their responsibilities being to commission and fund adult provision for learners within their respective regions. In connection with this, the DfE had recently announced a 6% reduction to national adult skills budgets. Additionally, an increased number of independent training providers was also anticipated.

**Resolved:** The Committee **noted** the verbal update.

## 6. **RISK MANAGEMENT** *(previously circulated)*

### 6.1 **To receive a report on risk management activities that have taken place since November 2024**

The Deputy Principal (F&R) outlined the risk management activity that had taken place since the last meeting and highlighted the following aspects from her report:

- A risk relating to the misuse of Artificial Intelligence (AI) had been added to the Strategic Risk Register. The College AI Strategy was gaining momentum in terms of both its benefits and risks

- Key risk scores had been updated to reflect current concerns in achieving the adult funding target. Whilst this included growth funding, the Deputy Principal (F&R) advised that this would not have an adverse impact on the College budget as growth funding was not included in the income lines until such time as there was confidence in its delivery
- The rationale where risks had a red RAG-rating or there had been an increase in sub-risk scores
- Progress made to date regarding the Risk Management Action Plan

Further clarification was sought and received regarding the RAG rating assigned to 'disruption of the estate' in connection with the on-going major building projects at both the Riverside and Cronton campuses.

**Resolved:** The Committee **noted** the contents of the report.

## 7. **FE SECTOR UPDATES**

### **To consider any updates relating to governance and risk**

The Committee received an overview of the revisions made to the Funding Higher Risk Organisations and Subcontractors Policy by the DfE. The Head of Governance advised that the Finance & Resources Committee considered the performance of sub-contractors at each meeting for onward reporting to Board in the event of any concerns being raised.

**Resolved:** The Committee **noted** the report.

## 8. **ITEMS TO BE REPORTED TO THE BOARD**

A discussion took place.

**Resolved** – the following reports were to be presented to the Board at its next meeting on 24<sup>th</sup> March 2025:

- Summary of the presentation delivered at agenda item 4
- Outcomes from the Internal Audit reports
- Overview of risk management activity

## 9. **ANY OTHER BUSINESS**

There were no additional matters of urgent business to be addressed.

## 10. **MEETING REVIEW**

In accordance with the approved action plan resulting from the external board review in 2023/2024 Committee Members were asked to review the effectiveness of the meeting with any comments to be forwarded directly to the Clerk by 10<sup>th</sup> March 2025.

**Resolved:** The Board **noted** the request.

## 11. **DATES OF FUTURE COMMITTEE MEETINGS**

**Resolved** - The Committee **noted** the following meeting dates:

- Audit Committee – 16<sup>th</sup> June 2025

The Chair thanked all attendees for their attendance and contribution at the meeting.

**Signed:** Office copy signed by Karen Banks

**Chair of Audit Committee**

**Date:** ...16<sup>th</sup> June 2025.....