

GOVERNING BODY OF GODALMING COLLEGE
**Minutes of the Audit Committee
Monday, 13th March 2023 at 4.30pm**
Present:

Geoff Howes, Chair (GH)	Helen Warren (HW) (online)	Julie Wagerfield (JW)
Kate Hart ((KH) Associate)		

In attendance:

Sarah Baudains, Assistant Principal (SB)	Ken Kehoe, Clerk (KK)
Emma Young, Accounting Officer/Principal (ELY)	Scott McCready (SM), Wylie Bissett
Oliver Stevens (OS), Deputy Principal	

		Action
1.	Apologies for absence	
	There were apologies for absence from Lee Henderson (LH).	
2.	Declarations of Interest	
	There were no declarations of interest.	
3.	In Depth Risk Review	
	<p><u>Future of Applied General Qualifications</u></p> <p>OS briefed the Committee on the developing policy background, explaining that there are currently three types of Level 3 qualifications – A levels, BTECS and T Levels. A T level is equivalent to 3 A Levels. In 2021, the Government announced its intention to reduce the offering to predominantly A Levels and T Levels. This would have been a blow to the College breadth of curriculum offer, if implemented, as a high proportion of students study BTECS. There had been a well-supported campaign to protect student choice and in November 2021, the Government had softened its position and the initial wave of BTECS that had been de-funded did not affect any BTECs offered by the College. OS had briefed C&Q Committee in November 2022 that the leadership team were optimistic about the future of BTECS.</p> <p>In January 2023, following the appointment of a new Secretary of State, the Government position hardened again and it had announced that only 44% of Applied General qualifications (the term used for BTECS) would be eligible for funding. The 59 qualifications that remained eligible for funding would, however, also need to re-apply and there was no guarantee that even those qualifications would be funded. Moreover, students would only be able to take one Applied General with two A Levels.</p> <p>The deadline for the announcement of the Applied Generals that that would be funded is July 2024 but the College, along with all other providers, would need to decide upon and start marketing their 2025 offering (for the school year starting September 2025) by February 2024.</p> <p>The impact of the Government’s plan on our provision over the coming years was demonstrated. The impact is most significant for our Double BTEC offer.</p>	

In 2022, 25% of students took a mixed BTEC/A-Level programme. We would not necessarily lose those students from College, but potentially more students might take A-Level courses, with implications for teaching and results, as well as staffing implications.

Given the timing of the next General election, there was a possibility that the policy position would change again; the Labour Party had indicated that they would not go as far as the current Government in reducing Applied Generals. The SFCA were lobbying for a year's delay in the implementation of the changes to allow Colleges more time to respond and plan for the proposed changes.

The College was looking at a three-part response to the changes:

- It was considering the implications of taking more students onto A-Level courses, but moving to a pure A Level programme would fundamentally change the College's offering and curriculum intent.
- It was looking at the possibility of offering some T levels (or equivalents); and
- It was looking at whether it could offer any new Applied General qualifications.

Trustees asked the following questions:

What was the lead time in offering a new qualification? OS explained that a decision would have to be made by January 2024 to allow for a new qualification to be offered in September 2025. ELY briefed that she had asked staff to undertake some exploratory work on T levels to facilitate a decision early next year, if it was required. It was too late this year to run a pilot T level because of the lead times needed. You have to apply to be run a pilot well in advance.

What would the main challenges of offering T levels be? ELY and OS were confident that the College's staff would be able to teach the content for T Levels but the challenge would be providing students with 45 days of work experience over 66 weeks. The College would have to build more relationships with employers to provide the required amount of high quality work experience; there would also be a planning issue if different employers had different requirements (eg a student working 1 day per week for 45 weeks as against students working in 1-, 2- or 3-week blocks). The College would also be competing with other Level 3 Providers to secure the places.

ELY noted that a college that ran a T level in Education and Childcare had started with 20 students on the course but that was now down to 7 students as many had found the content too hard.

Trustees noted that there may be a first mover advantage in developing links with local businesses; ELY explained that the College had employed an new member of the Careers Teams with this specific brief.

The Committee agreed that:

- The current treatment of this risk in the Risk Register was about right; and
- This risk should be kept under review by all Committees and the Board over the next 12 months, with the matter coming back to the Audit Committee if circumstances changed.

	<p><u>Programme of Future Reviews</u></p> <p>The Committee agreed that it would review the Disaster Management Strategy at its next meeting.</p>	
4.	Minutes of the meeting held on Monday, 27th June 2022 and 5th December 2022	
	The Minutes of the meetings held on 27 th June and 5 th December were approved as accurate records of the meetings.	
5.	Matters Arising	
	The actions arising had been completed.	
6.	Internal Audit Reports	
	<p><u>Free School Meals and Bursary Funding</u></p> <p>SM introduced the Internal Audit Report on Free School Meals and Bursary Funding, noting that the audit had provided a Strong level of assurance. There was only one low level recommendation.</p> <p>Trustees asked the following questions:</p> <p><u>What was the rationale for the £28k income threshold?</u> SB advised that this was set by the College to balance the needs of students with the funds made available to the College. SB had reviewed other S7 College thresholds but there was a wide range. The SLT were considering increasing the threshold to £30k for the 23/24 academic year.</p> <p><u>Why had two applications been declined?</u> SB said that she believed that these applications had exceeded the household income threshold.</p> <p><u>Would there be merit in a Trustee sitting on the panel that considered bursary applications?</u> SB explained that she provided the finance knowledge, while CXH provided the knowledge of individual student needs. The current membership worked effectively.</p> <p>The Committee welcomed the report.</p> <p><u>GDPR</u></p> <p>SM introduced Internal Audit Report on GDPR, noting that the audit had provided a Strong level of assurance. There were two low level recommendations.</p> <p>Trustees asked whether the recommended action plan would have significant resource implications. SB explained that the follow up from the recommendations would be drawn up by the Data Protection Officer and come to the Committee in June; ELY said that the leadership team would monitor the resource implications of the recommendation.</p> <p>The Committee welcomed the commendable Report.</p>	
7.	Risk Register	

	<p>ELY introduced the draft Risk Register, noting changes to reflect the distinction between mitigations and controls.</p> <p>The Committee approved the Risk Register.</p>	
8.	Whistleblowing	
	There was nothing to report.	
9.	Financial Policies and Regulations	
	<p>SB detailed the changes to the draft Financial Regulations and Procedures, in particular:</p> <ul style="list-style-type: none"> ● Section 5.2 Reserves Policy: Minimum cash reserves to be reduced from £1.5m to £1.2m ● Section 7: New sources of income were covered ● Section 8: Procurement policy significantly updated to reflect sustainability agenda, as well as spending threshold limit increased to require 3 quotes (from £5k to £10k). ● Appendix A: Financial Scheme of Delegation – the approval levels had been increased for Directors and SLT. <p>Trustees raised the following points:</p> <p><u>What was the College’s average monthly spend?</u> SB advised that it was about £750k so the cash reserves would cover more than a month of expenditure.</p> <p><u>Why had the reference to the forecast changes log been removed in paragraph 6.3?</u> SB explained that she had introduced the forecast log 2 years ago but had found that Finance Monitoring monthly meetings covered the same ground.</p> <p><u>Should paragraph 7.5 reflect the number of payment devices and where they are in the College. Should the regulations refer to who has access to the devices and the training that they have received?</u> SB agreed and would amend the text accordingly.</p> <p><u>In Para 8.2ii, how do you seek a competitive price without seeking quotes?</u> SB agreed to review the wording and clarify what was expected of staff.</p> <p><u>In Para 8.2v, should assessments on both price and quality be made? Why had the two bullets relating to negotiation post tender and finance background check been removed?</u> SB would review the wording on price and quality assessments. Re the background finance checks, these were not necessary if the procurement was taking place within a framework. The checks would already have been completed by the framework provider.</p> <p><u>Should declarations of interest also be sought for those assessing tenders or taking part in tender processes (Para 11.8)?</u> SB would check and review the wording.</p> <p><u>Should the arrangements for Trustee expense approval be covered under Staff expenses?</u> SB agreed and would add the required text.</p> <p>The Committee approved the draft Financial Policies and Regulations, subject to the points raised by Trustees.</p>	

10.	Governance	
	<p>The Committee considered the draft Committee SAR and agreed that GH would draft the necessary text.</p> <p>Action: GH to draft text for the Audit Committee’s SAR Objectives.</p> <p>The Committee also agreed that Trustees would consider whether they wish to take on the role of Committee Vice-Chair.</p> <p>Action: Trustees to consider whether they wish to take on the role of Committee Vice-Chair.</p>	<p>GH</p> <p>All</p>
11.	Internal Audit Provision	
	The Committee agreed that Wylie Bissett’s contract should be extended for a further year.	
12.	Any Other Business	
	There was no other business.	
13.	Dates of future meetings	
	Monday 26 th June 2023 t 4.30 pm	

The meeting closed at 6.05 pm.

Signed Date.....