

Minutes of a Meeting of the Audit Committee

Venue: TEAMS

Date: Wednesday 3 March 2021

Time: 4.00pm – 4.40pm

Present: George Clark (Chair)
Jackie Watson
Susan Wear

In Attendance: Lindsey Whiterod (Chief Executive Officer)
Neil Longstaff (Director of Governance)
Jane Cuthbertson (Chief Finance Officer)
Philip Church (RSM)
David Hoose (Mazars)

ITEM NO.	ISSUES	ACTION
1.	<p>Meeting with Auditors in Absence of Management</p> <p>RSM stated that there were no areas of concern to report. Adjustments to the audit plan had been made and the 'Follow-up' report had been brought forward, which was on the agenda for discussion.</p> <p>Q. Report on sub-contracting with Groundworks? This was a separate report and its findings had been presented to the Finance and Resources Committee.</p> <p>Mazars stated that they had no areas of concern to raise with governors with regard to management. DH reported that progress had been made to address the concerns raised by management over the statutory accounts but a formal catch-up meeting with JC had yet to be arranged. However, this would be held prior to the next meeting of the Committee.</p> <p>LW and JC joined the meeting.</p>	
2.	<p>Apologies for Absence</p> <p>The Committee approved apologies for absence received from Mark Overton and Sheila Alexander after having first considered the reasons for their absence. Apologies received from Jim Dafter (Mazars) were also noted.</p>	
3.	<p>Declarations of Interest</p> <p>The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p>	
4.	<p>Minutes</p> <p>The minutes of the Audit Committee meeting held on 20 January 2021 were approved and to be signed by the Chair.</p>	

	<p>Matters arising not covered on the agenda</p> <p><u>4.1 Mazars Audit Work</u> Q. Fee reduction agreed? A fee reduction of 10% had been agreed for the College but discussions were ongoing with regard to the academy trust.</p> <p><u>4.2 Audit Committee Membership</u> Requests for volunteers to serve on the Audit Committee would be sought at the Board meeting on 31 March.</p> <p><u>4.3 Regularity Self-Assessment Questionnaire</u> NL confirmed that it was the Chair of the Board that needed to sign off the completed questionnaire.</p> <p><u>4.4 Audit Committee's Annual Report</u> NL confirmed that the report had been presented to the Board for information.</p> <p><u>4.5 Annual Report on Risk Management 2019-20</u> JC reported that she had represented the risk management paper back to SEG and it was felt that whilst a risk remained 'high' the level of points (score) had reduced and SEG appeared content with the way in which the framework was being applied given the current environment.</p> <p><u>4.6 Fraud and Bribery Policy</u> The Audit Committee noted that the Fraud and Bribery Policy had been approved by the Board.</p> <p><u>4.7 Annual Report and Financial Statements for the Year-ended 31 July 2020</u> DH reaffirmed that there was to be a post mortem on the audit and a meeting with JC needed to be planned with a view to sharing information/actions with governors. DH, on reflection, suggested that this could be done via email instead of having to wait for the next Audit Committee meeting.</p>	
<p>5.</p>	<p>Internal Audit Reports</p> <p>The reports detailed below were presented to the members of the committee.</p> <p><u>5.1 Internal Audit Progress Report</u></p> <p>Governors were reminded that the Audit Committee had approved the Internal Audit Plan for 2020/21 at its meeting on 6 October 2020.</p> <p>This report was to provide a summary update on progress against that plan and it was stated that to date 38% had been completed. Two reports had been finalised since the last Audit Committee meeting, which were detailed below.</p> <p>Q. Happy with progress? Yes, adjustments had been made where required.</p> <p><u>5.2 Health and Safety</u></p> <p>RSM's testing sought to ensure that staff, students and visitors were appropriately safeguarded against the risk of the Covid-19 pandemic.</p> <p>Two low priority actions had been agreed with management.</p>	

	<p>Taking account of the issues identified, the Committee was informed that it could take substantial assurance that the controls upon which the organisation relied to manage the identified risk were suitably designed, consistently applied and operated effectively.</p> <p>Governors felt that this was a good report. The Chair congratulated and thanked all staff going into the College to support students and deliver courses.</p> <p>Q. How are 'practical courses' being addressed? LWh outlined the detailed planning undertaken to ensure students received both the theory and practical work.</p> <p><u>5.3 Follow Up of Previous Internal Audit Management Actions</u></p> <p>This report covered the following areas:</p> <ul style="list-style-type: none"> • Safeguarding and Prevent: Work Based Learning; • HR: Recruitment and Selection; • Competition and Markets Authority; • Procurement; and • Follow Up of Previous Internal Audit Recommendations <p>The focus of this review was to provide assurance that previously agreed management actions had been fully implemented. Auditors had agreed with management to review only those which had been reported as completed to the Audit Committee and were medium priority, which resulted in nine actions being reviewed during this audit. In addition to these actions stated as being complete, auditors also reviewed five actions (all medium priority) stated as being in progress but not yet completed by the respective action owner, in order to determine whether the assertions made as to progress were a fair representation of the current status of those actions. This resulted in reviewing a total of 14 actions across the five reports during the audit.</p> <p>It was reported that in the auditors' opinion, the College had demonstrated good progress in implementing agreed management actions.</p> <p>Resolved: That the reports are received and accepted.</p>	
<p>6.</p>	<p>Audit Recommendation Tracker</p> <p>The Director of Governance presented the tracker for governors' consideration.</p> <p>The document identified any recommendations which were deemed a high or medium risk, which were either overdue for implementation or could be removed if completion had taken place. All personnel who were shown on the list with outstanding issues had been asked to advise if there had been any further progress and the tracker had been updated accordingly.</p> <p>It was noted that four of the seven actions had now been completed. Progress made with the three still outstanding was provided for consideration.</p> <p>A governor was concerned about the website action. LWh reported that a task group was working on the development of the website and all matters were on track.</p> <p>Q. Completion time? It was expected that a new website would be launched by the end of the academic year.</p> <p>Resolved: That the report is received and accepted.</p>	

7.	<p>Risk Management Policy</p> <p>The purpose of the paper was to review and agree a draft Risk Management Policy before seeking approval from the Board.</p> <p>The Risk Management Policy had been reviewed by the Chief Finance Officer. Changes had been made regarding removing the title of Deputy Chief Executive and Chief Operating Officer and included the title of Chief Finance Officer. These changes had been highlighted within the policy.</p> <p>Q. Is it logged anywhere about the College's risk appetite? This was not stated in the policy but JC indicated that she was happy to include such a statement in the Risk Management Policy before presenting to the Board.</p> <p>Q. Would the College need a detailed review of the risks before coming to a judgement? LWh stated that there was no requirement for the College to declare a risk appetite therefore external consultants would not be required but it could be viewed as good practice for the College to determine its risk appetite. Advice was sought from auditors.</p> <p>Resolved: That the Risk Management Policy is recommended to the Board for approval, as presented.</p>	JC
8.	<p>Review Public Interest Disclosure Procedure</p> <p>The College Public Interest Disclosure Policy and Procedure being presented had been reviewed by the Director of Governance and endorsed by the Senior Executive Group (SEG).</p> <p>The document had been updated in line with AoC guidance and changes to contact details. These changes had been highlighted within the policy.</p> <p>Q. How do learners complain? It was reported that there was a complaints procedure for the College but in addition, Sec. 2.1 of the document stated that learners could raise genuine concerns about suspected wrongdoing by making a complaint to Head of SEND and Student Services.</p> <p>Q. How are governors made aware of the implementation of this policy i.e. complaints raised? NL reported that there was an annual standing agenda item on Audit Committee to report on any disclosures made.</p> <p>Resolved: That the revised Public Interest Disclosure Policy and Procedure is approved.</p>	
9.	<p>Review Freedom of Information Policy</p> <p>The aim of the paper was to review and agree the updated Freedom of Information Policy/Publication Scheme.</p> <p>It was noted that the College had adopted the model publication scheme prepared and approved by the Information Commissioner's Office. The publication scheme committed the College to make information available to the public as part of the College's normal business activities.</p> <p>The Freedom of Information Policy/Publication Scheme had been reviewed by the Director of Governance and endorsed by the Senior Executive Group (SEG).</p>	

	<p>The document had been updated to include details of how charges would apply, updated links to organisations and title changes. These changes had been highlighted within the policy.</p> <p>Q. Many FOI queries? NL confirmed that the College received FOIs on a regular basis which were recorded on the FOI Register. When received the request was sent to the relevant member(s) of staff to produce a reply which was given to NL who then responded directly to the person who made the enquiry. LWh outlined types of queries raised.</p> <p>Resolved: That the revised Freedom of Information publication scheme is approved.</p>	
10.	<p>Any Other Business</p> <p>None.</p>	
11.	<p>Date and Time of Next Meeting</p> <p>Wednesday 23 June 2021 at 4.00pm (venue to be confirmed)</p>	
12.	<p>Identification of Confidential Items</p> <p>None.</p>	

Signed:

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