



AUDIT COMMITTEE

**MINUTES of the Meeting of the AUDIT Committee
held on Thursday 9 March 2023 at 14.00 via remote participation**

<p>Members present: Gillian Lancaster Imran Razzaq Margot Hooley Gurpreet Kaur</p> <p>In attendance: Lee Glover Sophie Clifton Mark Smith Joy Watkins Jacky Gearey</p>	<p>External member and Chair External member Staff Governor Co-opted specialist</p> <p>Haines Watts for item 3.6 Director of Operations (DoO) for item 3.5 CEO Director of Finance & Data (FD) for items 3.3, 3.4, 3.7 and 3.8 Clerk</p>
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Quorum 2 members

Agenda Item	Action by
	<p>Opening of meeting The Chair opened the meeting at 14.00 and thanked everyone for attending and welcomed Margot Hooley the new member to the committee.</p>
	<p>Apologies for Absence 1. Amali de Alwis There were no other apologies.</p>
	<p>Declarations of interest There were no declarations of interest.</p>
3.1	<p>Minutes of Previous meeting The committee approved the following as an accurate record of the meeting held and decision taken: (i) minutes of the meeting held on 14 November 2022 (ii) remote decision request of 8 December 2022 Resolved that the minutes were an accurate record of the meeting held 14 November 2022 and the remote decision request of 8 December 2022.</p>
3.2	<p>Open Matters Arising Item 3.2 - to speak with G Lancaster about the possibility of a BCP refresh being performed by Bank of America. Chair asked that a date be arranged with the Director of Capital Projects. Still open Item 2.6 - Bank reconciliation to be covered off as part of internal audit for this coming year – referenced in the audit tracker and now closed Item 2.9 - a Health & Safety statement to be updated – outstanding. All other actions had been closed and there were no other matters arising.</p>

3.3	<p>Notification of any matters for concern (e.g. fraud, whistleblowing) The FD confirmed that there had been no matters of concern to report.</p>	
3.4	<p>Audit Output Tracker The tracker had been updated following on from the recommendations from the internal and external audit work. The committee reviewed the tracker noting the following audit activity:</p> <ul style="list-style-type: none"> • Internal audit Student Records - completed • 16-19 Apprentice on-boarding – including follow up of findings from previous work. FD confirmed that enrolment compliance was currently at 100% for current intakes with a very small percentage still to be actioned but this referred to historic cohorts and ensuring all their documents were in regulatory order. • Financial processes – key controls Risk Management External Audit of 2021-22 financial statements including bank reconciliations – this was covered by internal audit with the FD confirming that the control and processes now strengthened due to additional resources within the team. • Fixed asset register - Work on establishing a fixed asset register will begin in March now that the Finance team has additional resources. <p>There were no further questions. The Chair wanted to thank the FD and her team for all their effort in working through the actions most of which were now completed.</p> <p>Resolved that the audit output tracker had been received and noted by the committee</p>	
3.5	<p>Risk Management Strategic Risk Register As previously minuted the residual risk impact and likelihood scores are now included in included in risk register. The RAG Movement indicator has been introduced in the latest version of the register which the Chair said was most useful. The DoO advised that the register, now incorporated a separate section covering the capital projects risks for Victoria and Manchester. In summary there had been little change to any of the risks with the exception of risk 7 concerning the OU revalidation which had now been approved. The committee asked about risk 10 regarding the risk of failure to secure a suitable permanent home for the College in Manchester to timelines and quality standards required. DoO said that hopefully following the visit of the board to Manchester in March and the outcome from the F&R meeting to be scheduled shortly after, then the RAG rating is likely to go down. The Chair asked about the employers and their experience rating. The DoO assured the committee that whilst the college had lost an RFP for a specific partner, measures were now in place to support key employer partners and recruitment numbers were very positive for Manchester.</p> <p>For the Capital Risk Register, DoO said that the risk of completing two major pieces of work at the same time (Victoria and Manchester) was challenging and in particular the additional operational costs which was why the risk rating had been adjusted. For reassurance the IoT had been signed and the additional funding secured. The challenge will be running the buildings and for Victoria the risks around staffing and retention because of cost of living and travel. There were no further questions.</p> <p>Lee Glover and Mark Smith joined the meeting at 14.13 and 14.15</p> <p>Risk Appetite Statement FD said that there had been two drivers for this to be introduced, feedback from internal audit and an observation from a board member. The committee has discussed this before and whilst some work had been done there had been insufficient time to</p>	

	<p>progress this further. The Chair and committee appreciated the extra work that the ELT were doing and agreed that the register was comprehensive with robust scoring and that there was no urgency to complete a risk appetite statement. It was agreed to revisit in the autumn term. DoO confirmed that she would speak to the Chair and NW offline regarding this, with a view to having a draft by autumn meeting.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the Risk Management update was received and noted by the committee (ii) Risk Appetite to be fully discussed at the autumn audit meeting (iii) DoO to set up call with Chair and NW to discuss risk appetite statement 	
<p>3.6</p>	<p>Internal Audit Report</p> <p>Lee Glover from Haines Watts, which provides the internal audit services to the College, advised on the progress to date against the annual plan with projected timelines. The following was covered:</p> <ul style="list-style-type: none"> • Corporate Governance - Initial meeting requested w/c 27 March expected completion April • Core Financial Controls - Initial meeting requested w/c 3 April or w/c 10 April expected completion May • Student Records - Audit planned for July expected completion August – this might be challenging because of the information available • IT Cyber Review - this is recommended to be replaced with an information governance review on the controls around compliance with GDPR due to the move to Victoria. The committee approved this change. • Follow Up Audit planned for June expected completion July. <p>Additionally the following updates on the sector were provided covering:</p> <ul style="list-style-type: none"> • KCSIE guidance • 16-19 Funding for Academic Year • ONS reclassification – this covers the direction on documentation and signposting information • Grant management – provides tips on managing this <p>The Chair asked if the timetable discussed above was still manageable considering the amount of work around the move to Victoria. FD confirmed that all things being equal it should be achievable.</p> <p>There were no further questions and the Chair thanked Lee Glover for the work being undertaken.</p> <p>Resolved that Internal Audit Progress Report was received by the committee</p>	
<p>3.7</p>	<p>Health & Safety</p> <p>An update on the health and safety activity undertaken during the Autumn term and first half of Spring term 2022/23 was provided and covered:</p> <ul style="list-style-type: none"> • Legionella risk assessment and water sampling completed • First aid training of 14 staff members • replacement of fire extinguishers • Maintenance of premises including main reception doors, fire systems, lightning protection, lift maintenance, servicing of air conditioning. <p>Finally the estates manager is now focusing on ensuring any ongoing maintenance contracts for Broad Lane are being given notice to terminate by July ready for the move.</p> <p>Resolved that the Health & Safety Report was received by the committee</p>	

3.8	<p>GDPR Update FD confirmed that there had only been two Freedom of Information requests regarding pay increases and adult learner funding (the latter does not apply to the college). Resolved that the GDPR updated was received and noted by the committee</p>	
3.9	<p>Any Other business CEO provided an update on the grants for capital funding for IT and the current fundraising status which was looking very positive and hopefully would exceed the 500k target. There was no further business.</p>	
3.10	<p>Items to be taken forward to next Board Meeting 1. Risk Register</p>	Clerk
3.11	<p>Date of Next meetings 1. 19 June 2023</p>	
	<p>Close of Meeting Meeting closed at 14.38</p>	