

**Minutes of the meeting of the Audit Committee held on Tuesday 25 June 2019 at  
4.00pm at Barnsley College, Old Mill Lane, Barnsley**

**Present:** Clare Partridge (Chair)  
Simon Brian (Governor)  
David Shepherd (Governor)

**In attendance:** Heather Jackson (Director of Governance and Clerk to the Board)  
David Reeve (Interim Vice Principal – Finance)  
Tony Johnson (Vice Principal – Corporate Services)  
Suki Rai (Interim Vice Principal – Funding, Data and Compliance)  
Liz Leek (Vice Principal – Curriculum)  
Lisa Smith (RSM – Internal Audit)  
Monika Liskiewicz (Grant Thornton – External Audit)

**PART I – For Publication**

<b>Minute</b>	
<b>PROCEDURAL MATTERS</b>	
<b>A19/017</b>	<b>Agenda Item No. 1: Quorum</b>  The meeting was quorate.
<b>A19/018</b>	<b>Agenda Item No. 2: Apologies for Absence</b>  There were apologies from Simon Taylor and Deborah Watson
<b>A19/019</b>	<b>Agenda Item No. 3: Declarations of interest:</b>  David Shepherd noted his interest in Item 14.
<b>A19/020</b>	<b>Agenda Item No. 4: Minutes of the last meeting held on 26 March 2019 (Part I and Part II)</b>  The minutes of Part I and Part II were approved as a correct record.

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	<p>It was <b>RESOLVED</b> to approve the Minutes of the meeting held on 26 March 2019.</p> <p>The minutes were signed by the Chair.</p>
<b>A19/021</b>	<p><b>Agenda Item No. 5:</b> Matters arising from the last meeting (Part I and Part II)</p> <p>There were no matters arising.</p>
<b>A19/022</b>	<p><b>Agenda Item No. 6:</b> Rolling action list</p> <p>The Committee noted that the schedule of meetings for the forthcoming year had been aligned to ensure a more even distribution of work. All other actions had been completed.</p> <p>It was <b>RESOLVED</b> to note the Rolling Action List.</p>
<b>A19/023</b>	<p><b>Agenda Item No. 7:</b> Notification of any other business</p> <p>There were no items of other business.</p>
<b>MATTERS FOR DISCUSSION AND MONITORING</b>	
<b>A19/024</b>	<p><b>Agenda Item No. 8:</b> Audit Committee Terms of Reference</p> <p>The Committee noted the changes to the terms of reference and in particular that they reflected amendments to the audit code of practice.</p> <p>It was <b>RESOLVED</b> to recommend the changes to the Board for approval.</p>
<b>A19/025</b>	<p><b>Agenda Item No. 9.1:</b> Internal Audit Report (Curriculum Planning)</p> <p>Governors noted the clean audit and that there were no areas for improvement noted in the report. Plans had been subject to robust challenge and scrutiny and the requirements of employers and the local community were considered throughout. Governors agreed that the link between employers and curriculum should be noted to the Board and that thanks should be passed to the Heads of Department responsible for achieving such a positive audit report.</p>

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	<p>It was <b>RESOLVED</b> to note the Curriculum Planning Internal Audit Report and note the positive links between curriculum and employers to the Board.</p>
<p><b>A19/026</b></p>	<p><b>Agenda Item No. 9.2:</b> Internal Audit Report (GDPR Governance)</p> <p>Governors noted that no rating was given as it was an assurance audit. Some areas for improvement were identified and Suki Rai noted that the report had provided valuable clarity. Action was already underway to address issues with data flows and data sharing.</p> <p>The committee discussed the process for reporting data breaches in the College and agreed that clarification would be provided to staff.</p> <p>Governors welcomed the report which they found helpful and asked for a progress report to be brought to the next meeting of the Committee.</p> <p>It was <b>RESOLVED</b> to note the GDPR Governance Internal Audit Report.</p>
<p><b>A19/027</b></p>	<p><b>Agenda Item No. 9.3:</b> Internal Audit Progress Report</p> <p>The governors noted that the majority of current findings and agreed management actions are graded as medium or low and that actions are being responded to in a timely manner. Controls and management arrangements are effective in relation to the audits completed.</p> <p>Governors discussed the mock funding assurance review of Its. Findings had not been positive and it was noted that actions were being implemented to ensure compliance and standardisation with College processes and procedures. The final report would be presented in September. Governors asked whether these issues should have been identified during the due diligence exercise and were assured that they were similar to those raised through the recent Barnsley College audit</p> <p>The Governors discussed the Project Management audit and agreed that this could be postponed to the Autumn. It was noted that changes in staffing had not impeded progress and risk and exception reporting is reviewed regularly by the senior leadership team and reported through the governance framework.</p> <p>Governors noted the Post-16 Audit Code of Practice and were comfortable that the arrangements for preventing, detecting and dealing with fraud had been addressed by the committee over the last 18 months.</p>

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	<p>It was <b>RESOLVED</b> to note the Internal Audit Progress Report and to postpone the Project Management audit until the Autumn.</p> <p>It was <b>RESOLVED</b> to discuss exception reporting further at the audit committee in September.</p>
<b>A19/028</b>	<p><b>Agenda Item No. 9.4: Internal Audit Report Follow Up</b></p> <p>Governors noted that good progress was being made with only 2 areas where action is still ongoing.</p> <p>Subcontract signing was expected to be completed by the end of July.</p> <p>It was <b>RESOLVED</b> to note the Internal Audit Follow Up Report.</p>
<b>A19/029</b>	<p><b>Agenda Item No. 10: External Assurance of sub-contracting controls</b></p> <p>Governors were reassured to note that there were no issues raised that were not observed elsewhere in the sector. Management actions had been agreed and a report for Board was being prepared.</p> <p>It was <b>RESOLVED</b> to note the External Assurance of sub-contracting controls.</p>
<b>A19/030</b>	<p><b>Agenda Item No. 11: Board Assurance Framework</b></p> <p>Tony Johnson provided an overview of the Board Assurance Framework at the end of Q3. It was noted that a new risk relating to 14-16 Direct Entry had been added.</p> <p>Movements in risk scores were identified as follows:</p> <ul style="list-style-type: none"> <li>➤ The steering group had been removed as a control in relation to GCSE English and Maths</li> <li>➤ Controls had been updated to include a review of paperwork and job descriptions in relation to Apprenticeships</li> <li>➤ Success measures had been changed relating to the financial health score, increasing this from 160 to 180 for servicing debt and financial health.</li> <li>➤ Monitoring performance measures and intervention where necessary had been added to the Quality risk</li> <li>➤ Actions had been updated to include audit recommendations to GDPR.</li> <li>➤ The Student Recruitment risk had been updated to include an action to oversee the integration of ITS in marketing communications.</li> </ul>

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	<p>The committee discussed the frequency of reporting and how to ensure that sufficient time was given to look at the risks in detail both at Audit and Board.</p> <p>Tony Johnson agreed to review the process and make recommendations to the Chair of Board and Audit.</p> <p>It was <b>RESOLVED</b> that a recommendation on frequency and depth of reporting the BAF would be presented to the Chairs of Audit and Board</p> <p>It was <b>RESOLVED</b> to note the BAF at the end of Q3.</p>
<b>A19/031</b>	<p><b>Agenda Item 12: Risk Management Policy</b></p> <p>Governors noted that the policy was reviewed every two years and that no changes had been recommended. The committee discussed whether there had been any risks arising from the acquisition of ITS that should be addressed by the policy and agreed that this was addressed through the BAF.</p> <p>It was <b>RESOLVED</b> to approve the policy and recommend it to the Board.</p>
<b>A19/032</b>	<p><b>Agenda Item 13.1: External Audit Strategy 2019/20</b></p> <p>Governors noted the approach and strategy recommended for the external audit.</p> <p>In particular the audit would address:</p> <ul style="list-style-type: none"> <li>➤ updates to the SORP</li> <li>➤ disclosures around remuneration</li> <li>➤ pension liability changes and issues relating to age discrimination</li> <li>➤ ITS acquisition</li> <li>➤ going concern</li> </ul> <p>The committee noted that the external audit for ITS would be carried out by their existing auditors but would be included in the Barnsley College Audit next year. Grant Thornton confirmed that they would work with the ITS audit team to incorporate their findings where appropriate.</p> <p>It was <b>RESOLVED</b> the ITS audit report would be tabled at the next Audit committee.</p> <p>It was <b>RESOLVED</b> that the External Audit Strategy be recommended to the Board.</p>

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<p><b>A19/033</b></p>	<p><b>Agenda Item 13.2: Internal Audit Plan</b></p> <p>Governors noted the recommended audit schedule for 2019/20 and discussed whether a focus on the Research Excellence Framework (REF) was appropriate given the likely funding the College could attract.</p> <p>It was <b>RESOLVED</b> that SLT would consider whether the REF was an appropriate focus for audit.</p> <p>Governors noted the other main areas of focus would include:</p> <ul style="list-style-type: none"> <li>➤ Learner Journey</li> <li>➤ Stakeholder engagement</li> <li>➤ Learner records – HE and FE</li> <li>➤ IT and Business Continuity Planning</li> <li>➤ Key financial controls and payroll</li> </ul> <p>Corporate Governance changes would be reviewed in 2020/21 although they would also be addressed through the Board effectiveness review during the summer.</p> <p>It was <b>RESOLVED</b> that the Internal Audit Strategy be recommended to the Board.</p>
<p><b>A19/034</b></p>	<p><b>Agenda Item 14: Business transacted with organisations in the Register of Interests including number of apprentices</b></p> <p>Governors noted the income and expenditure and activity relating to Apprenticeships.</p> <p>The Governors <b>RESOLVED</b> to note the report.</p>
<p><b>A19/035</b></p>	<p><b>Agenda Item No. 15: Clerk’s Monitoring of Audit Recommendations</b></p> <p>The Clerk provided an overview of the position in relation to management actions arising from internal and external audit reports in the previous years and it was noted that most actions are complete or due to be completed over the summer.</p> <p>It was <b>RESOLVED</b> to note the progress to date in delivering the actions arising from previous internal and external audit reports.</p> <p>It was <b>RESOLVED</b> to incorporate all agreed management actions arising from Agenda items 8, 9.3, 11, 12, 13.1 and 13.2 from today’s meeting into the Clerk’s Monitoring of Audit Recommendations report for future meetings of the Committee.</p>

<b>Minute</b>	
<b>A19/036</b>	<p><b>Agenda Item 16:</b> Any other business</p> <p>Clare Partridge noted that she would be absent from the next Board meeting and Simon Brian agreed to present the Audit committee reports.</p> <p>Liz Leek noted a request from the Safeguarding team and asked Governors to ensure that they wore their black staff lanyards when they were in the building.</p>
<b>A19/037</b>	<p><b>Agenda Item No. 17:</b> Date and time of next meeting</p> <p><b>Tuesday 17 September at 4.00pm</b></p>

Part I closed at 5.35pm

**Signed (Chair):** ..... **Dated:** .....