

**Minutes of the meeting of the Audit Committee held on Wednesday 4 December 2019
at 4.00pm at Barnsley College, Old Mill Lane, Barnsley**

Present: Clare Partridge (Chair)
Simon Brian (Governor)
David Shepherd (Governor)
Simon Taylor (Governor)
Sara Turton (Governor)

In attendance: Heather Jackson (Director of Governance and Clerk to the Board)
Tony Johnson (Vice Principal – Corporate Services)
Ben Owen (Deputy Principal Development)
David Reeve (Interim Vice Principal – Finance)
Suki Rai (Interim Vice Principal – Funding, Data and Compliance)
Toni Rhodes (Vice Principal Quality & Access to Learning)
Lisa Smith (RSM – Internal Audit)
Monika Liskiewitz (Grant Thornton – External Audit)
Jane Jones (Grant Thornton – External Audit)

PART I – For Publication

Minute	
PROCEDURAL MATTERS	
A19/059	Agenda Item No. 1: Quorum The meeting was quorate.
A19/060	Agenda Item No. 2: Apologies for Absence Apologies were received from Deborah Watson, Liz Leek and David Ackroyd.
A19/061	Agenda Item No. 3: Declarations of interest: There were no declarations of interest.
A19/062	Agenda Item No. 4: Minutes of the last meeting held on 17 September 2019.

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	<p>The minutes were approved as a correct record.</p> <p>It was RESOLVED to approve the Minutes of the meeting held on 17 September 2019.</p> <p>The minutes were signed by the Chair.</p>
A19/063	<p>Agenda Item No. 5: Matters arising from the last meeting</p> <p>There were no matters arising.</p>
A19/064	<p>Agenda Item No. 6: Rolling action list</p> <p>Mock Funding Review ITS Group - Suki Rai and Lisa Smith had not met however the actions taken to address the ITS audit had superseded the action and it was now complete.</p> <p>Progress Report 19/20 - A date and topic for the audit to replace the REF had not been agreed.</p> <p>Financial Regulations - It was agreed that an occasional report to the Committee on spend against a Master Contract would be provided.</p> <p>All other actions had been completed.</p> <p>It was RESOLVED to note the Rolling Action List.</p>
A19/065	<p>Agenda Item No. 7: Notification of any other business</p> <p>There were no items of other business.</p>
MATTERS FOR DISCUSSION AND MONITORING	
A19/066	<p>Agenda Item No. 8.1: Progress Report 19/20</p> <p>Lisa Smith presented the Progress Report to the Committee and noted that the fieldwork dates for all audits had been agreed and RSM were in the process of scoping the assignments. 1 review has been submitted for review.</p> <p>It had been proposed that as the focus of the Higher Education Framework for TEF would not provide value currently, the focus should move to the</p>

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	<p>HESES survey. In addition, as the HEFES survey was no longer required the Health & Safety framework review should be brought forward from 2020/21.</p> <p>Discussions were ongoing regarding the replacement for the REF.</p> <p>It was RESOLVED to approve the proposed changes to the audit schedule to focus on HESES and Health & Safety.</p> <p>It was noted that the bulk of the internal audit reports would come to the March and June Committees and it was agreed that sufficient time would be allowed to review the audits in detail.</p> <p>It was RESOLVED to note the Progress Report 19/20 and schedule appropriate time to review Internal Audit reports in March and June.</p>
A19/067	<p>Agenda Item No. 9: Going Concern and Management Judgements</p> <p>David Reeve presented the going concern and key management judgements report to the Committee and noted the main points:</p> <ul style="list-style-type: none"> • 16-18 recruitment has been very good providing security for the largest proportion of income. • There will be a shortfall on the HE target which will be offset by expenditure reductions • College cash flow is sufficient for the next three years • Use of estates had been reviewed and it had been concluded that no building impairment is required. • The assumptions underpinning the pension valuation have been reviewed and are judged as being appropriate in the context of the college and its workforce and operating environment. • OML remedial work were undertaken during the summer and best estimate future provisions have been made. <p>David Reeve noted that in his opinion the College was a going concern.</p> <p>The committee discussed whether any provisions had been made for Brexit and it was noted that this would be discussed at Board in December. However it was noted that there was little impact expected on students and the small number of staff who may be impacted were being supported by HR. There may be some cost escalation issues on power and resources but the College did not feel that there would be a significant impact.</p> <p>It was RESOLVED to note the going concern and management judgements and recommend their approval to the Board.</p>

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A19/068	<p>Agenda Item No. 10: Financial Statements & Audit Report</p> <p>The Committee welcomed Jane Jones from Grant Thornton, standing in for Debbie Watson who was unwell.</p> <p>David Reeve noted that the ITS consolidation was late which had impacted on the audit and further reviews and information was still required.</p> <p>The Committee discussed the Grant Thornton Audit Findings and Monika Liskiewitz noted that there remained a number of pieces of information that were still outstanding. Additional resources were being made available to complete the work but there would be additional costs which would be passed on the College. David Reeve noted that the College intended to pursue Shorts for some of these costs.</p> <p>The Committee discussed deadlines and the level and volume work still remaining to ensure reporting deadlines were met.</p> <p>The Committee discussed the Pension assumptions and noted that the College used Mercers who did not include the effect of GMP in their calculations. GT had also considered the impact of the McLeod Judgement and had looked at the ITS pension.</p> <p>The audit had considered BCDC and Think and some slight amends would be made.</p> <p>The Committee asked that their thanks be noted to the Finance Team for all of their work.</p> <p>The Committee agreed that the Grant Thornton Audit Report would be noted. The Finance Team and Grant Thornton would continue to work on the Financial Statements over the coming week and the Committee would approve and recommend to the Board on 17 December 2019 subject to final approval by Clare Partridge and Simon Taylor.</p> <p>It was RESOLVED to note the audit report and recommend the financial statements to the Board subject to final approval by Clare Partridge and Simon Taylor.</p>
A19/069	<p>Agenda Item No. 11: OfS Reporting Requirements</p> <p>David Reeve presented the Office for Students Accounts Direction Guidance which will apply to the college's financial statements ending 31 July 2020.</p> <p>Reporting will include specific reference to staff pay, management and governance arrangements, financial statements, audit reporting and</p>

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	<p>signing and publishing accounts. It was noted that most of the requirements were already covered by ESFA however there will be some need for some more detailed disclosures to be made in the financial statements.</p> <p>The committee discussed the guidance and agreed that a list of assurance requirements relating to the OfS accounts direction and other data assurance requirements would be presented to the next committee along with a map of who completes and who checks these requirements. This would also include recommendations on what elements should form part of the reporting cycle going forward.</p> <p>It was RESOLVED to include OfS reporting in the Committee schedule for 2020.</p> <p>It was RESOLVED to note the OfS Reporting Requirements.</p>
<p>A19/070</p>	<p>Agenda Item No. 12: HE Annual Monitoring Report 2018/19</p> <p>Toni Rhodes presented the HE Annual Monitoring Report and highlighted positive movements across the Board in HE.</p> <p>External Examiner feedback was positive and the NSS had shown significant improvements. There remained some issues on support and non-academic issues. It was noted that the move of staff and students to Church Street would have an impact on student satisfaction but this was unavoidable and would be mitigated where possible.</p> <p>Toni Rhodes highlighted the QAA visit which reported the College met every outcome with a high degree of confidence.</p> <p>The Committee noted that Andrea Clarke had driven and led the report and thanked her for her work.</p> <p>The Committee also noted that the report would be brought to the attention of the Board to note as a positive result</p> <p>It was RESOLVED to note the HE Annual Monitoring Report and recommend it is signed by the responsible person.</p>
<p>A19/071</p>	<p>Agenda Item No. 13: Annual Risk Management Report.</p> <p>Tony Johnson presented the committee with a review of the college's risk management processes and outcomes for the year. A new risk on direct entry had been added during the year and the Committee noted that the</p>

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	<p>Board Assurance Framework will now be reviewed twice a year by the Audit Committee and three times at Board.</p> <p>The Committee noted that the incident response procedure had been reviewed in 2018/19 and Disaster Recovery Plan had been updated. Business Impact Analysis for all departments had also been established</p> <p>It was RESOLVED to note the Annual Risk Management Report.</p>
<p>A19/072</p>	<p>Agenda Item No. 14: Annual Fraud Report</p> <p>David Reeve presented the Annual Fraud Report and it was noted that there had not been any frauds identified and recorded during 2018/19</p> <p>It was RESOLVED to note the Annual Fraud Report.</p>
<p>A19/073</p>	<p>Agenda Item 15: Data Protection & Freedom of Information Act Report</p> <p>Toni Rhodes presented the Data Protection & Freedom of Information Act Report. It was noted that a new system had been purchased to support GDPR reporting and systems were currently being mapped alongside a programme of training for staff. Data sharing agreements were also being reviewed.</p> <p>The Committee asked if the College felt that the two breaches recorded were an accurate record. The Committee expected breaches to increase as awareness of reporting requirements and training increases.</p> <p>It was RESOLVED to note the report.</p>
<p>A19/074</p>	<p>Agenda Item 16: Annual Report of the Audit Committee</p> <p>The Committee discussed the Annual report and felt it was good summary of the activity for the year covering broad aspects of assurance. It was noted that it was subject to final review and approval of the financial statements.</p> <p>It was RESOLVED to note the report and recommend its approval to the Board subject to final approval by Clare Partridge and Simon Taylor.</p>
<p>A19/075</p>	<p>Agenda Item 17: Clerk's Monitoring of Audit Recommendations</p>

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	<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 all actions are complete.</p> <p>It was RESOLVED to note the progress to date in delivering the actions arising from previous internal and external audit reports.</p> <p>It was RESOLVED to incorporate all agreed management actions arising from today's meeting into the Clerk's Monitoring of Audit Recommendations report for future meetings of the Committee.</p>
A19/076	<p>Agenda Item 18: Appointment of the Chair of Audit Committee</p> <p>The Clerk noted that following the retirement of Clare Partridge from the Board and Audit Committee, Simon Perryman had discussed the Chair of Audit Committee with Board members as part of his 1-2-1 meetings. Simon Taylor had agreed to take on the role of Chair of Audit Committee with effect from January 2020.</p> <p>The Committee thanked Clare Partridge for her hard work, expertise commitment and support in developing the Audit Committee over the last 5 years. It was noted her last meeting would be the Board on 17 December 2019.</p> <p>It was RESOLVED to note the appointment of Simon Taylor as Chair of the Audit Committee.</p> <p>Members of SLT left the meeting</p>
A19/077	<p>Agenda Item No. 20: Any other business</p> <p>There was no other business</p>
A19/078	<p>Agenda Item No. 21: Date and time of next meeting</p> <p>Tuesday 3 March 2020 at 4.00pm</p>

SLT left the meeting at 5.25 pm. The meeting ended at 5.50 pm

Signed (Chair): **Dated:**