

Minutes of the meeting of the Audit Committee held on Tuesday 14 June 2022 at 4pm

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Present: Marie Lang (Governor & Chair)  
Carol Cooper-Smith (Governor)  
David Shepherd (Governor)

In attendance: Heather Jackson (Clerk)  
David Akeroyd (Deputy Principal Development & Productivity)  
Tony Johnson (Vice Principal Corporate Services)  
Suki Rai (Vice Principal – Funding, Performance & Technology)  
Lisa Smith (RSM)  
Aaron MacDonald (RSM)  
Deborah Watson (Grant Thornton) (via Teams)  
Axel Olingsberg (Grant Thornton) (via Teams)

*PART I – For Publication*

Minute	
PROCEDURAL MATTERS	
A22/027	Agenda Item No. 1: Quorum  The meeting was not quorate until 16:32.
A22/028	Agenda Item No. 2: Apologies for Absence  Apologies were received from Tracey Johnson, Abigail Corns, Ken Merry, Gavin Batty, Liz Leek and Laila Lawton.  The committee welcomed Aaron MacDonald and Axel Olingsberg.
A22/029	Agenda Item No. 3: Declarations of interest  There were no declarations of interest.

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A22/030	<p>Agenda Item No. 4: Minutes of the last meeting held on 5 April 2022.</p> <p>It was RESOLVED to approve the minutes of the meeting held on 5 April 2022.</p>
A22/031	<p>Agenda Item No. 5: Matters Arising from the meeting</p> <p>There were no matters arising from the meeting.</p>
A22/032	<p>Agenda Item No. 6: Election of Chair</p> <p>The Clerk presented a report asking the committee to formally appoint a Chair from its members.</p> <p>The Committee proposed Marie Lang take on the role and she was formally appointed for a period of 2 years.</p> <p>It was RESOLVED to formally elect Marie Lang as Chair of the Audit Committee.</p>
A22/033	<p>Agenda Item No. 7: Rolling Action List</p> <p>It was noted that the safeguarding audit had been shared with the Link Governor for safeguarding. Induction sessions would be coordinated over the summer in line with the recruitment of a number of new governors.</p> <p>It was RESOLVED to approve the Rolling Action List.</p>
A22/034	<p>Agenda Item No. 8: Any other business</p> <p>The Chair agreed to provide an update on the recently established AoC Audit Committee Chair meeting.</p>
A22/035	<p>Agenda Item No. 9.1: Progress Report</p> <p>Lisa Smith presented the Progress Report. It was noted that audits had commenced in line with timescales and that management responses were awaited for the Higher Education and Cyber Security. The Follow up report had now been agreed and all reports which would be presented at the next meeting in October.</p>

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	<p>Audit fieldwork dates for the rest of the year have been agreed.</p> <p>Governors noted the delayed reports and that this may result in a backlog of papers at the next meeting.</p> <p>It was RESOLVED to note the Progress Report.</p>
A22/036	<p>Agenda Item No. 10: Internal Audit Strategy 2023/23</p> <p>Lisa Smith presented the internal audit strategy for 2022/23.</p> <p>Governors discussed the proposed audits and the proposed levels of resources to undertake the audits and it was agreed that the days, depth and detail were sufficient.</p> <p>It was agreed that procurement audit should be brought forward to January in line with recent discussions at the Board.</p> <p>Governors also discussed the RSM definition of a deep dive</p> <p>It was RESOLVED to note the Internal Audit Strategy and recommend its approval to the Board.</p>
A22/037	<p>Agenda Item No. 11: External Audit Plan</p> <p>Debbie Watson and Axel Olingsberg presented the External Audit Plan.</p> <p>Governors noted the significant areas of risk identified and that these were broadly in line with last <b>year's</b> audit. It was noted that the GT actuarial team would provide additional support if required in the review of pensions.</p> <p>The committee discussed preparations for the going concern assessment and it was noted that the VP Finance would undertake a number of scenarios and reverse stress testing exercises in preparation for the audit. Governors noted ITS may require a letter of support.</p> <p>The committee discussed the rising costs of living and pressure on pay and it was noted that this was being addressed as part of the business planning process at the College and a 3 year plan and budget would be presented to the Board in July. It was also noted that these sensitivities would feed into the risk register.</p> <p>Grant Thornton noted the energy contract would be reviewed and it was noted that this had been discussed and approved at the Board.</p>

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	It was RESOLVED to note the External Audit Plan and recommend it to the Board for approval.
A22/038	<p>Agenda Item No. 12: Fraud Report</p> <p>The Vice Principal Finance presented the details on an incident linked to fraud. Governors discussed the incident and the actions taken and options in this case.</p> <p>The committee discussed the wider risks of fraud at the College and governors were assured that actions were being taken to mitigate the risk including a review of the use of cash within the College.</p> <p>It was noted that the Chair of the Audit Committee had not been notified of the issue and it was agreed that the process would be reviewed.</p> <p>It was RESOLVED to note the report and the assurance that it provides.</p>
A22/039	<p>Agenda Item No. 13: Whistleblowing Policy</p> <p>The Vice Principal Corporate Services presented the Whistleblowing Policy. No changes were recommended other than to job titles. It was noted that a full legal review of the policy had been undertaken in 2020 and the policy had not been accessed since it was previously approved.</p> <p>It was RESOLVED to note the policy and recommend its approval to the Board.</p>
A22/040	<p>Agenda Item 14: New Risk</p> <p>The committee discussed the review of the classification of FE Colleges by the ONS. It was noted that at this stage it was too early to say if this would present a risk but that the Senior Leadership Team would review and update the Board and Committee as appropriate.</p> <p>It was RESOLVED to note the new risk.</p>
A22/041	<p>Agenda Item No. 15: Clerks Monitoring of Audit Recommendations</p> <p>The Clerk noted that the recommendations for the learner records had now all been implemented. The safeguarding policy was yet to be updated and the recommendations relating to the external audit had been reviewed and were still in progress.</p>

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	<p>It was RESOLVED to note the update and the progress made against previous audits.</p>
A22/042	<p>Agenda Item No 16: Terms of Reference</p> <p>The Clerk noted that the terms of reference had been updated to reflect the most recent version of the Post-16 Audit Code of Practice and ESFA Accounts Direction. It was noted that a statement on value for money would be added to the annual report and this had been added to the terms of reference. No other changes were recommended.</p> <p>It was RESOLVED to note the terms of reference and recommend their approval to the Board.</p> <p>Lisa Smith, Aaron MacDonald, Debbie Watson and Axel Olingsberg left the meeting at 17:10.</p>
A22/043	<p>Agenda Item No. 17: Audit Tender</p> <p>Governors were updated on the audit tender process. A final recommendation would be made in due course.</p> <p>Governors discussed the risks and noted that the College had another full year with Grant Thornton undertaking the external audit.</p> <p>It was RESOLVED to note the report.</p>
A22/044	<p>Agenda Item No. 18: Timings of Future Meetings</p> <p>The committee discussed preferences for timings of meetings next year and it was agreed that the 4pm start was the preference.</p> <p>The Clerk noted that some meetings days were changed in the next academic year to accommodate the World Cup.</p> <p>Meeting invitations would be sent out in due course by the Clerk.</p>
A22/045	<p>Agenda Item No. 19: Audit Committee Minutes 5 April 2022 Part II</p> <p>It was RESOLVED to approve the Part II minutes of the meeting held on 5 April 2022.</p>

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A22/046	<p>Agenda Item No 18: Any other business</p> <p>The Chair of the Audit Committee updated the committee on the AoC <b>Chair's meeting. The meeting had identified a range of risks across the sector</b> including financial standing, economic challenges, recruitment of <b>learners (employment v's learning), ESFA funding</b> audits, teaching efficiency and general resourcing around requests for data. Future topics would include planning for T-Levels, risk appetite, levelling up, cyber security and the ONS review.</p> <p>It was agreed that the Chair would share the slides with the rest of the committee.</p>
A22/047	<p>Agenda Item No. 19: Date and time of next meeting</p> <p>Tuesday 4 October 2022</p>

The meeting ended at 17.54

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