

## Minutes of the Audit Committee meeting held on Monday 28<sup>th</sup> November 2022 at 5pm via Microsoft Teams

Members Present: Liam Butler (Chair)  
Wendy Davies  
Nirmal Gupta  
Charlie Harvey

In Attendance: Gill Darwood (Director of Corporate Governance) (DCG)  
Louise Jones (Chief Finance Officer) (CFO)  
Craig Sullivan (Bishop Fleming)  
Neil Thomas (Chief Executive & Principal) (CEP)  
Louise Tweedie (RSM)

### Committee administrative matters

#### 1 **Confirmation of quorum**

1.1 The Director of Corporate Governance (DCG) confirmed that the meeting was quorate.

#### 2 **Apologies for absence**

2.1 There were no apologies for absence.

#### 3 **Declarations of interest**

3.1 There were no declarations of interest.

#### 4 **Approve minutes of previous meeting held 3<sup>rd</sup> October 2022**

4.1 The minutes and confidential minutes of the meeting held on 3<sup>rd</sup> October 2022 were accepted as an accurate record for signature by the Chair.

#### 5 **Matters arising**

5.1 There were no matters arising.

### External Audit 2021/22

#### 6 **Confidential Management Letter (with Annual Report and Financial Statements 2021/22)**

*This matter is the subject of a separate and confidential minute.*

#### 7 **Letter of Representation**

7.1 The letter of representation had been prepared by Bishop Fleming to support the Corporation in confirming that:

- The Corporation had fulfilled its responsibilities in accordance with the UK Financial Reporting Standards, the FE/HE Statement of Recommended Practice and the College Accounts Direction for 2021/22.
- All information had been made available to Bishop Fleming.
- Grants made by DfE/ESFA had been applied for the purposes intended and there had been no breaches in grant conditions.
- The College's expenditure had been applied to the purposes identified by Parliament.
- The financial statements were prepared on a going concern basis.

- The Accounting Officer had fulfilled his responsibilities under the requirements of the funding agreement between the College and the Secretary of State for Education and the relevant Financial Handbook.

7.2 **It was resolved** To recommend the letter of representation to the Corporation.

## 8 **Audit Committee's Annual Report for 2021/22**

8.1 The DCG presented the report which summarised the work undertaken by the Committee in 2021/22. To comply with the Audit Code of Practice, as reflected in the Audit Committee terms of reference, the annual report summarised the committee's activities relating to the financial year under review, including:

- Any significant issues arising up to the date of preparation of the report.
- Any significant matters of internal control included in the management letters and reports from auditors or other assurance providers.
- The number of meetings held in the year, an explanation where this was less than three meetings, and attendance records for each member of the Committee.
- The appointment date of the external auditors and the remaining term of the contract.
- The committee's view of its own effectiveness and how it had fulfilled its terms of reference.
- The Audit Committee's opinion on the adequacy and effectiveness of the corporation's assurance arrangements, assurance over subcontracting, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency, and the safeguarding of assets.

8.2 The DCG reminded members that the Corporation would rely on the Committee's report in its consideration of the financial statements for the year ended 31 July 2022. A copy of the Audit Committee's Annual Report would be submitted to the relevant funding body with the annual accounts.

8.3 **It was resolved** To approve the audit committee's annual report for 2021/22.

## Internal Audit Matters

### 9 **Internal Audit Reports**

9.1 L Tweedie presented the Internal Audit Progress Report which set out the work carried out in the 2022/23 academic year to date. The following reviews had taken place since the last Audit Committee and the reports were provided for consideration.

- Higher Education Framework: received substantial assurance with one recommendation regarding the presentation of a freedom of speech annual report to the Corporation.
- Key Financial Controls – Treasury Management: received substantial assurance with two recommendations regarding the publishing of the financial regulations on the college's website and updating the bank mandate following the recent departure of the Head of Finance.

9.2 The Human Resources Controls report was currently being finalised and would be brought to the next meeting.

9.3 **It was resolved** To note the internal audit reports on HE Framework and Key Financial Controls.

## 10 **Rolling Schedule of Audit Recommendations**

10.1 The CFO presented the report which summarised the progress made in implementing the recommendations contained in the audit reports submitted by RSM. It excluded recommendations that had been confirmed by RSM as implemented in their follow up audit in June 2022. The report identified those recommendations that remained in progress and highlighted those that had been completed. Substantial progress had been made since the last report with 28 recommendations implemented. There were 14 recommendations being implemented or not yet due, two of these had been added in the latest internal audit reports issued in November.

10.2 One recommendation relating to a system for monitoring the update and completion of risk assessments was subject to delay. A new health and safety compliance system had been procured that would enable this recommendation to be completed.

10.3 In response to a question from the Chair regarding the extended deadline for the curriculum planning actions, the CFO advised that the College already had a good level of reporting in this area, but a new business planning software system was currently being implemented to further enhance processes and so the action would be kept live until the fully automated system was in place.

10.4 **It was resolved** To note the rolling schedule of audit recommendations.

## **Risk Management Matters**

### 11 **Risk Management update**

11.1 The CFO presented the risk management update. She advised that the senior team undertook a monthly review of the risk register to assess if the risk scores were still accurate, to ensure that all appropriate actions were noted and good progress was being made. There were no changes to the risk scores on this update.

11.2 The report included a chart which illustrated the number of risks being considered by each committee and the net score or severity of risk: There was one red risk relating to financial stability which was being monitored by Finance & Estates committee.

11.3 There were three actions which were subject to delay:

- Implementing a training programme (on apprenticeship delivery) for assessors and managers, only the latter so far had received training.
- Undertaking a review of SEND provision to make recommendations for improvement. The recent curriculum restructure had ensured a focus on SEND and student support and it was expected that the review would now be implemented for September.

- Use of the PREVENT self-assessment toolkit to review the College’s position and make recommendations. The assessment had been undertaken and the results would be shared with the senior leadership group.
- 11.4 In response to a question from the Chair, the CFO confirmed that the actions detailed in the report were identified in order to further impact the net risk score.
- 11.5 **It was resolved** To note the risk register update.
- 12 **Any Other Business**
- 12.1 Members noted that this was Charlie Harvey’s last meeting of the committee as her term of office would end on Friday 9<sup>th</sup> December 2022. Members thanked Charlie for her outstanding contribution to the work of the committee.
- 12.2 C Sullivan advised members that an announcement was expected the following day in relation to the ONS reclassification of Colleges.
- 12.3 There were no matters of any other business.
- 13 **Date of next meeting**
- 13.1 6<sup>th</sup> March 2023  
12<sup>th</sup> June 2023

The meeting closed at 17.41 hours.

*Approved by the Audit Committee at the meeting held 6<sup>th</sup> March 2023.*