

**Minutes of the Meeting of the Audit Committee  
held on Friday 28<sup>th</sup> June 2019 at 8.00am  
In Room 814  
at Matthew Boulton Campus**

<b>Present:</b>	<b>Apologies:</b>
Simon Thompson (ST) (Chair)	
Iqbal Mohammed (IM)	Not in Attendance
Dan Zastawny (DZ)	Apologies
Amardeep Gill (AG)	<b>Dial in</b>
<b>In Attendance</b>	
Cliff Hall (CH)	
Martin Penny (MP)	
Jonathan Lanes (JL) (BDO)	
Mark Dawson (MD) (KPMG)	
Fiona Yardley	
Joanne Crowther (JC)	

**Apologies & Declarations of Interest**

There were no declarations in addition to those recorded on the register of interests.

**Item 1 – Minutes of the meeting held on 30 November 2018 and 6 February 2019**

Three sets of Minutes - The minutes were agreed as a true and accurate record of the meeting.

**Matters Arising and Action Log**

There were no matters arising.

**Item 2 – Risk Management Update and Assurance Mapping**

MP advised members that the risk Management Register had been refreshed and now included the risks identified as part of the SPA process, those actions pertaining to the SPA being identified in an additional column. He further confirmed that the document was now live, and held centrally, so that changes could be tracked in real time.

ST requested that the updated Risk Register be shared with members of the committee for further scrutiny. MP agreed to do this.

ST observed that traditionally, items have stayed on the register for a long time and asked what was being done to keep a focus on the items to ensure that those that can be moved along are. It was acknowledged that some risks will remain, such as recruitment, but it was agreed that some items had been on the register for too long. ST asked if there was any sense in separating out the perennial risks that colleges face, and key risks that the college is currently facing. MP confirmed that this could be looked at.

JL advised that as the register was updated work had been undertaken to address where assurance was required. Accordingly, the proposed audit plan would be based on the risk register prioritising areas of high risk. JL requested that once identified, the committee provide further guidance.



ST requested further detail in terms of the controls that would be tested around recruitment and student numbers. JL advised that general risks, like student numbers, would be one of the fundamental risks that would be monitored. He further advised that the risk was difficult to control as it was inherent. He confirmed that it would be possible for auditors to assess the suitability of measures taken to attract more learners such as marketing, keep warm activities, digital and social media marketing, and to compare these with strategies used in the sector. CH confirmed that recruitment was a high priority for the Senior Team and that meetings took place at a senior level to ensure a clear focus. He advised members, however, that the strategy for 19/20 was to aim for maintenance of numbers rather than growth.

MP advised members that actions were already in place to enable the college to have a more accurate view of recruitment. For example, this year, all returning learners have been enrolled before the end of term which will allow a clear picture of new learners to emerge at enrolment in August.

ML asked how many risks were on the register originally, how many were now on the register following the inclusion of the SPA risks, and how they would be monitored. MP advised there were 12 remaining risks once the register had been refreshed, and with the inclusion of the SPA risks, twenty in total. CH advised that the register would be monitored weekly and items removed be noted along with highlighting any further inclusions to ensure members could clearly see the work done.

ML and ST requested that the report be a standing item for future meetings to enable members to monitor progress. They also asked whether or not the areas of risk had been delegated to the right staff, and whether or not those staff had adequate resource to manage the workload. MP advised that additional resource had been secured for key staff along with additional consultancy to mitigate the risk.

ML noted that a year ago activity was undertaken to assess the appetite for risk and asked whether or not this had been included in the register, and whether or not this needed to be updated. JL advised that it had not and agreed that this should be considered and taken into account in identifying areas for audit. ML noted that the appetite for risk was undertaken by the whole Corporation Board and suggested that time be given for the Board to undertake the activity again rather than taking too much time at the Board meeting planned for July. CH agreed that a day could be set aside to achieve this.

ST suggested that the appetite for risk be first discussed at the next Audit Committee meeting once members had had the opportunity to scrutinise the risk register. He further advised that recommendations could not be made to the board until this scrutiny had taken place. Members agreed with this suggestion. CH confirmed that the register would be sent out on Monday and a suitable time for a call to discuss further would be identified.

**Actions:**

- **MP to share the updated risk register with members for further scrutiny and a suitable time for a call be identified**
- **The committee to provide guidance with regard to the items for internal audit once the risk register has been scrutinized**
- **Progress with the risk register be added as a standing item to future meetings for further, ongoing scrutiny**
- **Appetite for Risk be added to the next Audit Committee agenda**
- **CH to arrange for a Corporation strategy review day where the risk appetite will be considered**

Accordingly, it was

**RESOLVED**

- That the position was noted



**Item 3 – Progress on delivering the internal Audit Plan for 18/19 and Internal Audit Reports**

This item is recorded in a confidential minute

**Item 4 – Internal Audit Reports Follow up Report**

This item is recorded in a confidential minute

**Item 5 – Internal Audit Reports – Internal Audit Annual Report – JL**

This item is recorded in a confidential minute

**Item 6 – External Audit Planning Memorandum**

This item is recorded in a confidential minute

**Item 7 – Annual Review of the Operation of Anti-Fraud Controls**

MP advised members that across the sector there has been a significant number of phishing attacks. From a college perspective, some had breached the firewall and staff computers had been infected, but it was identified and acted on swiftly. MP confirmed that to address this a cycle of changing passwords had been put in place.

Accordingly, it was

**RESOLVED**

- The report be noted

**Item 8 – Sub Contractor Control Assurance (Verbal)**

JL advised members that they were required to provide subcontractor control assurance by the end of July. He confirmed that they were on track to have the report done by the deadline. He further advised that there were no major issues to report and that the report would be sent to the ESFA upon completion.

Accordingly, it was

**RESOLVED**

- The update be noted

**Item 9 – Health and Safety Update**

MP presented the Spring Term Report. Members advised that they had noted the update, and the action plan. MP confirmed that only one accident resulted in a notification under RIDDOR regulations, but that reporting procedures had been followed and no recommendations had been made.

Accordingly, it was

**RESOLVED**

- The report be noted

**Any other Business**

None



Date of next meeting: to be confirmed

Signed.....*S.A. Thompson*.....  
Chair

Date.....*19/12/19*.....