

Audit Committee

Wed 15 February 2023, 17:00 - 18:30

MS Teams



Attendees

Present: Kath Causey (Independent Governor and Chair), Susan Snape (Independent Governor)

In attendance: Joanne Platt (Director of Governance), Steve Scott (Finance Director), Louise Brown (VP Corporate Services), Dave Harrison (VP Data and Funding), Andy McCulloch (TIAA)

The Director of Governance confirmed that the meeting was quorate.

Meeting minutes

1. CONSULTATION WITH AUDITORS

AC-23-02-01

In accordance with the Committee's Terms of Reference, the Committee had a private discussion with the auditors. It was confirmed by the new auditors that engagement was good, that audit plans are on schedule and that recommendations made by the previous auditors will be followed up by them.

Steve Scott, Louise Brown and Dave Harrison joined the meeting at 5.10pm.

2. Apologies for absence

AC-23-02-02

Apologies for absence had been received from Hayley Mercer (Independent Governor), Jane Butterfield (TIAA), Scott Gillon and Rory McCall (Wylie & Bisset)

3. Declarations of Interests

AC-23-02-03

There were no declarations of interests.

4. Minutes of the previous meeting and matters arising

AC-23-02-04

The Committee reviewed the minutes of the previous meeting and agreed that they were an accurate record of the meeting.

All actions arising from the meeting were complete, although it was noted that to date, no candidates for two new Co-Opted Governors to serve on the Committee had been identified. The VP Corporate Services confirmed that she was in the process of speaking to key people in her business network about the role and it was agreed that the Director of Governance would discuss further with Susan Snape to see if she knows of anyone in her network who may be interested in becoming a Co-Opted Governor at the College.

Resolved: The Committee approved the minutes of the meeting held on 9 November 2022 for signature by the Chair.

5. Internal Audit Reports



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The Committee considered the Internal Audit report in relation to the HE Strategy, noting that the auditors had given a Substantial Assurance rating and had confirmed that the areas of the control environment tested during the audit are designed and operating effectively with no significant weaknesses. It was noted that there are no recommendations arising from the Audit work carried out.

The Audit found that there is a Higher Education Strategy in place that is used for the delivery and monitoring of Higher Education provision within the College, that there is a Higher Education Strategy Board (HESB) that takes responsibility for reviewing and reporting all issues relating to curriculum and quality development of Higher Education provision at the College and that Higher Education activities and performance is regularly reported to the Executive Team and the Higher Education Strategic Board through regular meetings.

It was noted that the College's work to form a Teaching and Learning Academy to support teachers and help with their professional development had been identified as good practice.

In response to a question from a Governor, it was confirmed that HE numbers are constantly under review and that some of the estimated budget shortfall would be offset by higher numbers of degree apprenticeships and associated income, as reported to all Governors in the monthly management accounts.

In response to a question from a Governor, it was confirmed that the National Student Survey was undertaken annually.

The Committee was assured by the report and the work carried out during the audit and thanked the staff and auditors involved.

The Committee noted the report.

5.2. ILT Strategy

AC-23-02-06

The Committee considered the Internal Audit report in relation to the ILT Strategy, noting that the auditors had given a Substantial Assurance rating and had confirmed that the areas of the control environment tested during the audit are designed and operating effectively with no significant weaknesses. It was noted that there are no recommendations arising from the Audit work carried out.

The audit work carried out showed that strong progress was being made to implement the ILT Strategy since its launch in September 2022. Outcomes are measured and reported through a range of metrics, surveys and assessments, providing an ongoing check on the success of the Strategy and a sound approach was evidenced for the resourcing of the Strategy's investment requirements. Effective communication, CPD and engagement with College staff was also evidenced, with indications of a high level of buy-in.

Close collaboration with the wider GM Colleges Network facilitates sharing of best practice and innovation and this was noted in the report as an area of good practice in itself.

In response to a question from a Governor, the Internal Auditor agreed to review the working papers and to provide some examples of good practice seen during the audit.

The Committee noted that the ILT Strategy was in its infancy and agreed that a KPI to monitor and measure its success would be a useful development for the future.

The Committee noted the report.

5.3. Progress against the Internal Audit Plan - verbal update

AC-23-02-07

The Internal Auditor confirmed that the plan is on track and that all audits scheduled for completion in 2022-23 will be completed in accordance with the plan.

The Committee noted that the follow up report on recommendations made by the previous internal auditors, will be undertaken in March and will be reported to the Committee at a future meeting. If necessary, any concerns will be reported to the Committee prior to that meeting.

The Committee noted the update.



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6. Audit Implementation Tracker

AC-23-02-08

The Committee reviewed the Audit Implementation Tracker, which reports on progress of previous recommendations made by the College's auditors, noting that all recommendations had been actioned.

It was noted that an update on previous outstanding actions had been sent to committee members via email prior to Christmas 2022, as agreed at the previous meeting. This update had confirmed that actions outstanding at the previous meeting had been completed.

The Committee thanked the VP Data and Funding for the update he had provided in December and for completing the actions, some of which were complex issues, in a timely manner.

The Committee noted the report.

7. Termly Risk Management Report

AC-23-02-09

The Committee reviewed the termly risk register, noting that this had been reviewed and updated by the Executive Team to reflect the current year's strategic outlook.

It was noted that since the last report, there were no increased risk scores. However, the risk scores for 10 risks (risks one, two, three, five, six, seven, nine, 11, 13 and 15) have decreased and a further six risks (risks four, eight, 10, 12, 14 and 16) remain the same.

The Committee noted that it is not always possible to determine the level of risk with 100% accuracy, as this is often impacted by external factors outside of the College's control. However, the Executive Team monitors and reviews risks frequently and proactively, to ensure that any new and emerging risks are identified and addressed in a timely way.

In response to a question from a Governor in relation to Risk 2, it was agreed that the Finance Director will let the Committee know how far off the College is in achieving the HTQ Project target, although it was noted that the College's performance in relation to this is the strongest in the sub-region.

The Committee noted that progress was being made in relation to the Capital Transformation Project, that an update had been provided to the Resources Committee the previous evening and that a full update will be provided to the March meeting of the Governing Board.

The Committee raised concerns over the impact of the cost of living crisis on the College's budget and it was confirmed that this is being managed effectively, reported to the Resources Committee and is also referenced in the narrative to the monthly management accounts, which are shared with all Governors.

The Committee noted the report.

8. Annual Anti-Fraud Report (including Statement on Gifts and Hospitality)

AC-23-02-10

The Committee considered a report which takes into account the guidance on anti-fraud reporting as provided within the Post-16 Audit Code of Practice, as part of its remit to oversee arrangements for financial probity, and noted that there had been no known instances of fraud at the College during 2021-22.

It was also noted that an improvement action was identified in the Board Self-Assessment, to include reference to gifts and hospitality receipts for College managers and staff within the annual Anti-Fraud Report and the report confirmed that no gifts or instances of hospitality had been registered in 2021-22.

The Committee noted the report.

9. Items to be included in the Committee Chair's Report to the Governing Board

AC-23-02-11

The Committee agreed the items to be included in the Committee Chair's report to the Governing Board.

10. Any other business

AC-23-02-12

There were no items of other business.



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The meeting ended at 5.50pm.

12. Actions

AC-23-02-04

Action: Discuss with Susan Snape if there is anyone in her network who may be interested in becoming a Co-Opted Governor at the College.

Action by: Director of Governance and Susan Snape

AC-23-02-06

Action: Review working papers from ILT Strategy Audit and provide examples of good practice identified to the Committee.

Action by: Andy McCulloch

AC-23-02-09

Action: Let the Committee know how far off the College is in achieving the HTQ Project target,

Action by: Finance Director



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