

Minutes of the Audit Committee Meeting held at 6pm on 29th November 2022 via Zoom

Members Present: Eddie Weiss (Chair), Nick Bevan, Martin Tugwell, Colin Hayfield

Apologies: Dakshita Takodra (Internal Auditors, TIAA)

In Attendance: John McGrath (Vice Principal Corporate Services) (VPCS), Jenny Craig (Principal), Chris Mantel (Representing External Auditors, Alliotts LLP), Anna Smith (Clerk to Corporation),

Minute No.	Agenda Item
AUD 17/22	<p>Welcome and Declarations of Interest</p> <p>The Chair welcomed all to the meeting, in particular the Principal and Martin Tugwell to their first Audit Committee meeting. Martin Tugwell briefed the Committee on his background and experience. There were no new declarations of interest relevant to the business of the meeting.</p>
AUD 18/22	<p>Minutes of the Committee Meeting held on 22nd June 2022 and Matters Arising</p> <p>The minutes were approved as an accurate record and would be duly signed by the Chair. Of the matters arising:</p> <ul style="list-style-type: none"> In terms of following up on the recommended actions from the safeguarding internal audit, the VPCS confirmed the Corporation had been briefed on progress taken. There was further work to be done and further testing conducted to ensure processes have been embedded and are operating properly. The VPCS will report an update on progress to satisfy the Committee that controls are operating correctly at the next Committee meeting (Action: VPCS). <p>All other actions had been completed.</p>
AUD 19/22	<p>Internal Audit Plan 2022-23</p> <p>The VPCS briefed the Committee on the four areas in scope for internal audit throughout 2022-23, prioritising audits of Risk Management (reporting and focus) and High Needs provision (given the significant growth). Following these would be audits of MIS funding (mainly apprenticeships focussed) and subcontracting as mandatory. The Committee discussed the importance of these areas as focuses for audit agreeing value added areas be prioritised. The VPCS reminded Members of the internal audits completed in the last two years and all were satisfied these need not be repeated this year.</p> <p>The Committee Resolved to Endorse the annual audit plan for 2022-23.</p>
AUD 20/22	<p><u>Draft Annual Report and Financial Statements 2021-22</u></p> <p>The VPCS took Members through the report drawing attention to, and explaining in detail, the financial results and key changes to the accounts which had been scrutinised by the Finance Committee at its meeting on 23/11/22.</p> <p>The College's underlying operating deficit and the lack of cash reserves for reinvestment was the main rationale for the estates strategy. Strategic planning will be key to forecasting and the new build and re-investment into the Aylesbury Campus would form a key part of this plan, to improve the prospects of attracting more students and taking the College into a positive cycle of sustainability. The Principal added that the College was looking hard at its curriculum footprint to ensure it was as efficient as possible and reassured the Committee that the team was absolutely focussed on getting to an operating sustainable position.</p>

	<p>The Committee agreed the Corporation should be made aware of any changes to the senior team membership and the Principal provided reassurance that staffing did now feature in her report to the Corporation.</p> <p>The Committee Resolved to Recommend the Annual Report and Financial Statements 2021-22 to the Corporation for approval.</p> <p><u>Audit Management Letter</u></p> <p>Chris Mantel (CM) recorded his thanks to the VPCS, the Head of Finance and their team for a smooth audit process and confirmed Alliotts' satisfaction in signing a clean opinion for both true and fair on the accounts and for regularity. He took the Committee through the report drawing Members' attention to the key significant matters as detailed and confirming there were no significant concerns.</p> <p>Query was raised regarding the whistleblowing policy and assurance was provided that this concern was merely due to the latest version of the policy not being published on the website. The Principal confirmed that the policy was being fully redrafted to reflect best practices and would be presented to the Corporation for approval.</p> <p>The Chair thanked CM for the management letter and audit work involved to support it. The VPCS recorded his thanks to CM and his team for their valued support throughout the process.</p> <p>The Committee Resolved to Approve the External Auditors Management Letter.</p>
AUD 21/22	<p>Audit Committee Annual Report 2021-22</p> <p>The VPCS briefed Members on the report which now included updates on actions taken against each audit recommendation. It was agreed it would be useful to include an indication of completeness to clearly see the stage at which the recommendation was being or had been met. The VPCS agreed to make this amendment and recirculate to the Committee prior to sign off (Action: VPCS).</p> <p>Query was raised and the Committee was reminded of the cybersecurity audit which had been conducted during 2020-21. The VPCS confirmed this was being worked on continuously with the main action being to ensure IT software was updated consistently across the College thereby minimising cyber risk.</p> <p>The Co-opted Member recorded his appreciation for the quality and timeliness of reports and thanked the VPCS and colleagues for their efficiency in such an important area.</p> <p>The VPCS reminded the Committee of the importance of the report given its submission to the ESFA with the year-end accounts. Subject to the agreed amendment, the Committee Resolved to Recommend to the Corporation the approval of the annual report of the Audit Committee 2021-22.</p>
AUD 22/22	<p>Risk Management Report and Risk Register</p> <p>The level of risk was increasing as the College was on the cusp of some very large change programmes including the estates strategy and strategic plan implementation while coping with challenging finances and difficulties in staff recruitment. This had been reflected in the risk report for the Audit Committee to monitor regularly.</p> <p>Query was raised regarding whether some risks were more business critical than others or whether all were treated equally. The VPCS provided reassurance in explaining the reasoning for the risk scores and prioritisation, noting the greater impact the risk could have, the higher the score.</p> <p>The Committee sought reassurance that there was sufficient capacity within the senior team to manage everything at present or whether further support was required. The Principal</p>

	<p>confirmed the team recognised the amount of work currently required and briefed the Committee on the current senior team restructure with two new appointments imminent. The College also had specialist project management support from the consultancy team on the estates strategy which would be increased as the workload ramps up.</p> <p>The VCPS noted that the risk management internal audit would include a review of the risk register to inform how risk management was reported throughout the College. The importance of minimising duplication at Corporation from Audit Committee discussions was agreed and this would be taken into account in the revision of the process and reporting.</p> <p>The Committee Resolved to Endorse the Risk Management Report and Risk Register.</p>
AUD 23/22	<p>Anti-Corruption and Anti-Bribery Policy A few points (recorded separately) were taken into account and would be incorporated in the final version (Action: VPCS). Query was raised regarding the value of gifts/hospitality and it was confirmed this was clarified in the Financial Regulations which are cross-referenced.</p> <p>Subject to the agreed amendments and recirculation of the document, the Committee Resolved to Approve the Anti-Corruption and Anti-Bribery Policy 2022-24.</p>
AUD 24/22	<p>Anti-Fraud and Irregularity Policy Subject to one amendment to include references to students and governors (and recirculation of the document), the Committee Resolved to Approve the Anti-Fraud and Irregularity Policy 2022-24.</p>
AUD 25/22	<p>Risk Management Policy The Committee Resolved to Recommend the Risk Management Policy to the Corporation for approval.</p>
AUD 26/22	<p>Committee Members' Training and Development The Committee reviewed the latest training and development record for its Members in line with the Audit Code of Practice requirements. Members noted how useful the AoC masterclasses were and the Clerk would continue to circulate details of relevant training and development as it became available.</p> <p>The Committee Noted the annual review of Members' training and development.</p>
AUD 27/22	<p>Any Other Business None</p>
AUD 28/22	<p>Date of Next Meeting 23rd February 2023</p>

The Chair thanked all for attending and the meeting closed at 7.30pm.

Approved as an accurate record of discussions: 23rd February 2023

Signed by Chair of Committee:

