



## **AUDIT COMMITTEE**

**WEDNESDAY 21 JUNE 2017**

**Report: Minutes of the meeting held on Wednesday 15 February 2017**  
**Author: Clerk**  
**Action: Approve**  
**Status: Open**

**Present:** Chris Macklin (Chair)  
Darren Heathcote  
Neil Weddle

**In attendance:** Sally Cooper (Clerk)  
John Holt (Deputy Principal: Operations / Finance Director)  
Claire Leece (RSM – External Audit)  
Emily Hudson (PWC – Internal Audit)  
Karen Finlayson (PWC – Internal Audit)  
Suzanne Clark (Minutes)

### **A/610 Welcome / Apologies / Conflicts of Interest**

The Chair welcomed all to the meeting. Apologies were received from Judith Doyle, Robert Auty and Chris Barrett.

Members were invited to declare any interests on any item on the Agenda. No interests were declared at this stage in the meeting; however, members noted that should the direction of debate on any item result in a potential conflict of interest, this should be indicated in the meeting.

### **A/611 Minutes of the last meeting dated 5 October 2016 and minutes of the joint meeting with Audit Committee dated 30 November 2016**

The minutes of the Audit Committee meeting held on 5 October 2016 were agreed as a correct record.

A member highlighted that Ian Renwick was in attendance at the joint meeting of the Audit and Corporate Services Committees held on 30 November 2016. Save for this amendment the minutes were agreed as a correct record.

### **A/612 Matters arising**

There were no matters arising.

### **A/613 SFA Subcontractor Assurance**

A verbal update was given by the Finance Director.

The Committee were advised that the SFA Subcontractor Assurance was due to be submitted by the end of April 2017. The Finance Director proposed that RSM and Tenet are used to provide this assurance. The External Auditor advised that a specialist team from RSM will undertake this work and she will have no personal involvement. The Finance Director added that he does not envisage any problems arising from this work. The ESF contract will increase the number of partners who the College engages with but the Committee were assured that due diligence has been undertaken and all contracts have strict monitoring arrangements in place.

***The report was noted and the Committee gave approval for RSM to undertake SFA Subcontractor Assurance work.***

#### **A/614 Internal Audit Progress Report 2016/17**

A verbal update was given by Karen Finlayson (PWC) as Internal Auditor.

The Committee were advised that following approval of the internal audit plan at the meeting in October 2016 planning meetings have been diarised for all internal audits. Information Governance has been scheduled to take place in May 2017. This audit will need to consider the implementation of GDPR which will be enforced from May 2018. Due to the onerous requirements imposed by this legislation, a long lead-in time will be required to ensure the College is ready. The Internal Audit team will include an information leaflet on this legislation as part of their report to be presented at the next meeting. The review of Safeguarding is scheduled to take place in March with ICT following in April.

The Chair asked if the audit team were comfortable with the cycle of work agreed. The Internal Auditor responded that work has been scheduled and resourced and she is confident in meeting the timeframe set out.

The Chair asked the Finance Director to have a discussion with Emily Cox, who is Chair of the People Committee, to give an oversight of the College's HR systems. The Chair suggested that there were some days set aside in the audit plan which have not yet been allocated and these could be assigned to this area of work if appropriate.

The Chair advised that at the Board of Governors meeting in December 2016 a member had commented that work should be more aligned to the College's new quadrant structure. The Finance Director was asked to investigate further whether the internal audit plan could be shaped to fit the quadrant structure and discuss with the internal audit team. The Finance Director advised that there are currently quadrant identifiers in the Risk Management Plan, linking it to the quadrant structure. It was highlighted that it is likely that themes will cut across more than one quadrant.

***Action: PWC to include information on GDPR at the meeting in June 2017***

***Action: Finance Director to discuss College HR systems with Emily Cox***

***Action: Finance Director to consider alignment of the internal audit plan to the College's quadrant structure***

***The report was noted***

#### **A/615 Follow up on previous recommendations**

The report was presented by the Finance Director.

A member asked that estimated completion dates be added to matters reported in the document where relevant to give clarity that progress was being made.

The Chair commented that he was pleased with the progress made and was comfortable that work is taking place in relation to Information Security. The Finance Director advised that he is confident that work will be completed on schedule. The Committee were advised that a new manager is in place for this area and this is having a very positive impact.

***Action: Estimated completion dates to be added to report.***

***The report was noted***

**A/616 Risk Management Plan**

The report was presented by the Deputy Principal: Operations / Finance Director.

**THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.**

***The report was noted***

**A/617 Any other business**

**THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.**

**A/618 Date of next meeting**

The date of the next meeting was confirmed as Wednesday 21 June 2016 at 4.30pm.