



## **AUDIT COMMITTEE**

**WEDNESDAY 20 JUNE 2018**

**Report:** Minutes of the meeting held on Wednesday 21 February 2018  
**Author:** Clerk  
**Action:** Approve  
**Status:** Open

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

**In attendance:** John Holt (Deputy Principal: Operations / Finance Director)  
Claire Leece (RSM – External Audit)  
Karen Finlayson (PWC – Internal Audit)  
Katy McCormack (PWC – Internal Audit)  
Sally Cooper (Clerk)

### **A/646 Welcome / Apologies / Conflicts of Interest**

The Chair welcomed all to the meeting. Apologies were received from Judith Doyle, Chris Barrett (RSM) and Emily Hudson (PWC).

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/647 Minutes of the last meeting dated 4 October 2017**

The minutes of the Audit Committee meeting held on 4 October 2017 were agreed as a correct record.

### **A/648 Minutes of the Joint Meeting with the Audit dated 30 November 2017**

The Committee agreed to review these minutes for accuracy, subject to their formal approval at the next Joint Meeting later in 2018. In reviewing for accuracy, it was agreed the heading of JCA/35 should read "External Audit Findings for the year to 31 July 2017".

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| <b>A/649</b> | <b>Matters Arising</b>  |
|              | <ul style="list-style-type: none"> <li>A/638, the Chair commented that information had gone to the College governing body on the College's GDPR implementation and the actions the College has taken in this regard. It was felt by the governing body that the College was now well placed to comply with GDPR. A follow up audit on GDPR is currently underway.</li> </ul> <p>There were no other matters arising.</p>  |
| <b>A/650</b> | <b>SFA sub-contractor assurance</b>   |
|              | <p>A verbal update was given by the Deputy Principal: Operations/Finance Director .</p> <p>The Committee was advised that an ESFA sub-contractor assurance audit is likely to take place in April or May of this year. It is anticipated that this audit will be reported on at the Committee's meeting in June.</p> <p><b><i>The report was noted.</i></b></p>   |
| <b>A/651</b> | <b>Internal Audit Progress Report 17/18</b>   |
|              | <p>A verbal update was given by Karen Finlayson (PWC) as Internal Auditor.</p> <p>It was reported that a plan had been agreed and follow up work started on GDPR and no significant issues had been highlighted so far. This year's audit will focus on the Apprenticeship Levy, Financial Controls including the Payment Process and Treasury and Forecasting, HR, Marketing and Communications, and Quality and Performance.</p> <p>The Chair requested that once the HR audit was completed a copy of the report should be provided to the People Committee, as they would be interested in the outcome. In addition, the Board may be interested in the social media aspect of Marketing and Communications.</p> <p><b><i>The report was noted.</i></b></p> |
| <b>A/652</b> | <b>Follow up on previous recommendations</b>  |
|              | <p>The report was presented by the Deputy Principal: Operations/Finance Director.</p>   |
|              | <p>A member requested that the progress report on HR Learning and Development be reviewed and updated. The Deputy Principal agreed to pick this up. The Chair commented that he was keen to keep on top of controls as was the Chair of the People Committee.</p> <p>The Chair requested that the Register of Gifts and Hospitality come to the Audit Committee, as it would be useful to have visibility on this and also serve as reassurance for the College. It was agreed that this should be included as a standing agenda item at every Audit Committee meeting going forward.</p> <p>The Chair noted the good progress that had been made.</p> <p><b><i>The report was noted.</i></b></p>   |

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| <b>A/653</b> | <b>Risk Management Plan</b>  |
|              | <p>The report was presented by the Deputy Principal: Operations/Finance Director.</p> <p>The Chair commented that it was reassuring to see that, as compared to this time last year, there were fewer risks identified as red. The Committee would be looking to see the number of red risks reduce throughout the year and noted the good progress that was being made, showing that the College was doing what it could to mitigate risk.</p> <p>In response to a question from a member, the Deputy Principal agreed to include an arrow in each row of the right hand column, to show whether the RAG rating was an improvement, a demotion or constant from the previous RAG rating presented to the Committee. This would show the movement in the assessments of the Executive Team and would help inform the written updates included in the other columns.</p> <p><b><i>The report was noted.</i></b></p> |
| <b>A/654</b> | <b>Any Other Business</b>  |
|              | <p>The Deputy Principal suggested that the Committee meeting in February 2019 be moved to late March/April, rather than February so that some of the internal audit reports could be presented at that meeting, rather than all being presented in the June meeting.</p> <p>The Clerk agreed to take this away and build it into the 2018/2019 Corporate Calendar.</p> <p>In response to a question from a member about the Government's recent announcement on reviewing Higher Education funding, it was noted that this would have some impact on the College and the College should wait to see if FE would in turn also be reviewed.</p>  |
| <b>A/655</b> | <b>Date of the next meeting</b>  |
|              | The date of the next meeting was confirmed as Wednesday 20 June 2018 at 4.30 pm.   |