

Audit Committee

Minutes of the meeting held on 18 November 2020

Present: Stephen Brown, Steve Cook, Amanda Fenton, Denise Thompson

In attendance: Karen Musgrave (RSM UK Audit LLP), Gary Parkinson (College Business Manager), Colin Peaks (Principal) Vikki Reeve (Clerk)

1. Election of the Chair

Resolved: Steve Cook was elected as Chair of the Audit Committee for 2020/21.

2. Apologies for absence

Resolved: There were no apologies received.

3. Declarations of interest

Resolved: There were no declarations of interest.

4. Minutes of the meeting held on 10 June 2020

Resolved: The minutes of the meeting held on 10 June 2020 were accepted as a correct record.

5. Matters arising from the minutes/action schedule

The Committee discussed whether Audit Committee meetings should be moved to a 4.30 pm time slot, rather than 12.00 noon.

Resolved: The next Audit Committee meeting will take place at 4.30 pm, rather than 12.00 noon.

[It was agreed that agenda items 11 and 14 would be taken while waiting for Karen Musgrave, RSM UK Audit LLP, to join the meeting.]

11. Rolling implementation of Audit recommendations

GJP confirmed that there are no outstanding actions from activities undertaken prior to lockdown in March. Any activities that could not take place during 2019/20 have been included in the Annual Audit Plan for 2020/21 (agenda item 12).

Resolved: The rolling implementation of Audit recommendations was received.

[Karen Musgrave joined the meeting.]

6. Regularity Audit Self-Assessment for the year ended 31 July 2020

It was agreed that minute 6 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government until associated reports are finalised and approved by Corporation (December 2020).

7. Engagement letter

It was agreed that minute 7 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government until associated reports are finalised and approved by Corporation (December 2020).

8. Draft Members Report and Financial Statements for the year ended 31 July 2020

It was agreed that minute 8 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government until associated reports are finalised and approved by Corporation (December 2020).

9. Final Audit Findings Report for the year ended 31 July 2020

It was agreed that minute 9 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government until associated reports are finalised and approved by Corporation (December 2020).

10. Letters of representation for the Financial Statements Audit and Regularity Audit for the year ended 31 July 2020

It was agreed that minute 10 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government until associated reports are finalised and approved by Corporation (December 2020).

[It was agreed that agenda item 17 would be taken next to allow Karen Musgrave to leave the meeting.]

17. Meeting without management present, if required

Karen Musgrave confirmed that she had nothing to discuss with the Committee without management being present. She noted that there is nothing to bring to their attention and assured the Committee that she would have already done so.

Resolved: There were no issues to raise without management present.

[Karen Musgrave left the meeting.]

12. Annual Audit Plan 2020/21 and Board Assurance Framework

CAP presented the annual Audit plan and Board Assurance Framework for 2020/21. He noted that:

- It is his recommendation that the Board Assurance Framework remains unchanged.
- The recommendation to have an external review of the College's health and safety compliance has been carried over to 2020/21, as agreed with the Committee at the

last meeting. He noted that this can take place once Government restrictions around Covid are lifted.

- The recommendation to review the Single Central Register is carried over to this year and should take place once the information has been migrated over to the new HR system.
- The Quality & Standards Committee or Corporation may wish to make a recommendation following receipt of the College's Self Assessment Report for 2019/20.
- The Committee previously agreed to audit elements of the financial controls self-assessment, e.g. employee costs and payments was undertaken last year, so may want to select another area from this.

Governors discussed other areas for audit, particularly those outside of finance, e.g. safeguarding and health and safety.

One Governor highlighted a mistake on the website which led them to question whether the website is audited. CAP said that the website is updated as required with old versions of documents removed at the same time.

CAP noted that he is happy for Governors to scrutinise any areas where they require assurance.

The Committee agreed that:

- Stephen Brown will lead a Governor scrutiny/audit exercise alongside the external review of health and safety.
- Steve Cook will lead an audit of the Single Central Register.
- Stephen Brown and Denise Thompson will lead an audit of Safeguarding.

The Committee noted that other members of the Corporation should be invited to participate once they have been planned – either Governors that have skills applicable to the audit, or as a development opportunity.

Recommended: The Board Assurance Framework and Audit Plan for 2020/21 be approved.

13. Risk Register

It was agreed that minute 13 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government for a period of one year.

15. Review of performance of external auditors

GJP provided an overview of his experience of working with the auditors. He noted:

- The team were new this year, apart from one team member, and their approach had been different to previous year, due in part to them being unable to come on site.
- Their recommendation that software be reclassified has not been raised before, despite it always being classified that way.
- The team were very professional and thorough, and they asked more questions than in previous years.

Governors commented that the report is more than adequate.

Resolved: The review on the performance of the external audit service was undertaken.

16. Annual report of the Audit Committee 2019/20

The Clerk presented the annual report of the Audit Committee for 2019/20. She recommended a few additional changes:

- Page 2 – remove the reference to Baker Tilly.
- Page 4 – change references from Board Assurance Framework to Risk Register, where appropriate.

Recommended: The annual report of the Audit Committee for 2019/20 be approved.

18. Any other business

18.1 Covid

Governors discussed the current situation in Hull, with Covid infection rates the highest in the country. They considered the impact on students and questioned whether the College can loan equipment to students to enable them to learn from home. GJP confirmed that there are currently 30 laptops on loan to students, the College is purchasing more and the College is also in contact with Hull City Council about loaning some from them. CAP added that a letter was sent home to parents asking them to let us know of any barriers to students' learning at home to ensure as many of these were captured as possible. CAP noted that there are some students unable to work from home for other reasons (e.g. environment) and these students are being provided with laptops and headphones to work in the library.

Governors queried the impact on staff and students' mental health. CAP described how additional resource has been put into the College counselling team and the senior team are working with staff to support them.

Resolved: The update on Covid was received.

19. Confidential items

Resolved: It was agreed that minutes 6, 7, 8, 9, 10, 13, and 14 should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government and associated reports are therefore not available for circulation to the public, college staff or students (excluding senior post holders).

20. Date of the next meeting

Resolved: The date of the next meeting is 24 February 2021 at 12.00 noon.

Action schedule

Minute no	Title	Action by	Action
5.	Matters arising	Clerk	Update the Corporation meeting schedule with new meeting time.
6.	Regularity Audit Self-Assessment for the year ended 31 July 2020	Business Manager	Rectify alignment issues before submitting to Corporation.
12.	Annual Audit Plan	Clerk	Seek additional volunteers for audit activities, once they have been planned.
16.	Annual report of the Audit Committee	Clerk	To update the report before submitting to Corporation.

Learner impact: All reports and decisions took account of the impact on learners, e.g. gaining assurance that the college remains a going concern.

Audit Committee

**Confidential Minutes of the meeting held on
Wednesday 18 November 2020**

It was agreed that the following minutes should be classified as confidential in accordance with Clause 17 (2) of the Instrument of Government and associated reports are therefore not available for circulation to the public, college staff or students (excluding senior post holders).

Approved