



Audit Committee Meeting
Minutes of the Meeting held on
Monday 10th October 2022
via Microsoft Teams

Present: Sharon Townes (Chair) (ST))
Jon Hawley (JH)) External members
Simon Bedford (SB))
Helen Smurthwaite (HS))

In attendance: Janet Smith (JS) CEO/Principal
Andy Comyn (AC) Deputy CEO / CFO
David Neilson (DN) Director of Finance
Andrew Bush (AB) KPMG (internal auditors 21-22) *to end of item 7*
Aaron MacDonald (AM) RSM (internal auditors 22-23) *from item 8*
Rachel Robson (RR) Director of Governance
Jo Welham (JW) Governance and Corporate Support Manager
and DPO

	PRE-MEETING WITH THE AUDITORS 001 The Committee met with KPMG in private to discuss the recent audit work undertaken with the College.
1	APOLOGIES 002 Apologies were received from David Hoose (Mazars), Sandra Welsh (KPMG) and Lisa Smith (RSM).
2	DECLARATIONS OF INTEREST 003 JS - CEO/Principal Nottingham College - Trustee and Board Members of Skills and Education Group (SEG), awarding organisation and charity - Ofsted Inspector - Member of D2N2 LEP Principals' Group No other declarations of interest were received.
3	COMMITTEE CHAIR AND VICE CHAIR 22/23

	004 The Committee resolved to appoint ST as Chair and HS as Vice Chair of the Committee for 22/23.
4	MINUTES OF THE PREVIOUS MEETING 005 The committee resolved that the minutes of the meeting held on 20 th June 2022 be approved as a true record (subject to the correction of a typo).
5	ACTIONS AND MATTERS ARISING 006 4.1 The committee reviewed the open action tracker : 20.09.21 Action 1: Environment and Sustainability to be added to the 23/24 internal audit plan. Action on going. 29.11.21 Action 1: Annual procurement report on agenda. Action complete 29.11.21 Action 3: Work on policy suite ongoing. Confirmed policies now identified. Work to now agree policies to come to Board and committees on going. Action ongoing. 29.11.21 Action 6: Risk training for Audit Committee held. Risk appetite session for Board planned for January Strategy Day. Action ongoing. 14.03.22 Action 4: To bring detailed sustainability report to November meeting. AC confirmed that a sustainability strategy was in progress and the committee would be updated on that. A governor queried if this would extend to leaners and the curriculum. AC confirmed that the strategy would reflect the work already underway to embed sustainability into the curriculum. Action not yet due. 20.6.22 Change made to risk register to include non-pay costs in Fin 2b. Action complete. 4.2 007 There were no matters arising.
6	INTERNAL AUDIT 6.1 IT strategy implementation 008 The committee received the internal audit report. AB confirmed the outcome of the audit provided an overall significant assurance rating with just one low recommendation placed. AC confirmed the acceptance of the recommendation, and that further detail would be shared with Finance & Assets Committee in future reports. 6.2 IA Annual Report 21/22 009 AB presented the annual report summarising the outcome of internal audits for 2/22. A governor noted the trend of the decreasing number of recommendations placed over time and questioned whether this should be viewed as positive or not. AB advised that there has not been a drive to reduce the number of recommendations placed just that this is the outcome from the audits undertaken. He noted that it could be viewed as an improvement in processes. AC suggested that a decrease in recommendations over time was neither good nor bad, but a factual reflection of the audit work undertaken.
7	RECOMMENDATION TRACKING 010 The committee reviewed the recommendation tracking report. AC confirmed that all 11 recommendations brought forward from the previous meeting and the 3 further recommendations placed through the reports received in reports received since then have all been implemented. He reflected upon the positive impact of the regular review of the tracking at the internal Professional Services meetings, he noted that this is working towards ensuring more prompt completion of recommendations. The committee were pleased to note the positive impact of the internal meetings on ensuring completion of recommendations. SB thanked KPMG for their work with the college.

	<p><i>AB left the meeting</i></p> <p><i>AM joined the meeting.</i></p> <p>SB welcomed AM to the meeting as the newly appointed Internal Auditors for the college.</p>
8	<p>RSM</p> <p>8.1 Progress Report</p> <p>011 AM took governors through the progress report. Two audits have commenced, cyber security and learner journey. AM updated on the progress with each of those audits to date. He reflected on the good interaction and support received from college teams. Both reports will be brought to the November committee meeting.</p> <p>8.2 Sector Updates</p> <p>012 AM confirmed that RSM issue sector updates throughout the year and share with their education clients for information. Governors confirmed that they had found the updates extremely useful. The Chair reflected on how these could be used in future to inform information processes. AC confirmed that the reports were an extremely useful tool and would be used to inform internal audit planning and internal processes. It was noted that RSM would be supporting the Board with risk training in January. AM confirmed that throughout the year RSM may ask colleges to complete feedback surveys, all responses were welcome as they help inform the update reports and analytics shared.</p>
9	<p>SUBCONTRACTING</p> <p>013 Governors received and reviewed the report.</p> <p><i>This item minuted as confidential</i></p>
10	<p>REGULARITY SAQ</p> <p>014 DN took governors through the regularity audit SAQ. He highlighted the updates made to responses from the previous year, noted that the additional pandemic annex has been withdrawn and directed attention to the new section on governance. The committee resolved to recommend the SAQ to the Board for approval and signature by the accounting officer and the chair.</p>
11	<p>ANNUAL REPORTS</p> <p>11.1 Information compliance and data protection report 21/22</p> <p>015 JW presented the report to the committee. She noted that data breaches and FOI requests have fallen compared with previous years and data subject access requests are in line with previous years. JW noted the reasons for the decrease in reported data breaches is unclear and that staff will be reminded of their obligations. A governor queried if this represents a risk. JW confirmed that there has not been a decrease in reporting of more serious breaches and so an increased risk was unlikely. A governor queried the significance and volume of automated data subject access requests referred to in the report. JW advised that the college receives 5 to 6 automated responses. She confirmed that the college seeks to push back requests that ask for 'everything' and seek to engage with the requestor to determine what information is being sought.</p> <p>11.2 Procurement report 21/22</p> <p>016 The committee received and noted the report. DN updated on the recent staff resignation in the team. He also updated on the contracts register and gave governors further detail on those outstanding.</p>
12	RISK MANAGEMENT

	<p>017 The committee noted the risk management update report and risk register. AC confirmed that the risk management group had last met on 31st August and that the risk register presented represented the assessment of the group of the risks now facing the college. Eight new risks were considered, with four being added to the risk register. The Chair noted the upcoming training on risk for governors and suggested that a closer review of risk be undertaken after that session. AC confirmed that the session would be linked to the new strategic plan and the risk impact of not delivering. A governor suggested that deep dives on specific areas of the risk register would be useful, with the risk owner in attendance at the meeting. Governors queried the mitigations for certain risks and the live nature of the risks. Further discussion took place on the realistic expectations for success of identified mitigating actions and the resulting reduction in risk scoring. A governor queried risk PRO and CON 8 and suggested that the identified risk needed updating as per the report. All agreed that further work will be required on scoring and mitigation after the planned Board session.</p>
13	<p>POLICIES</p> <p>13.1 Public value Statement</p> <p>018 The committee received the statement. Subject to amendments to page 3 of the statement the committee resolved to recommend the statement to Board for approval.</p> <p>13.2 Data Retention and Disposal Policy</p> <p>019 The committee received the policy and resolved to recommend to Board for approval.</p>
14	<p>COMMITTEE BUSINESS</p> <p>020 The committee reflected on the recent training session from RSM. The upcoming session on risk was noted. It was agreed to take an additional meeting in the spring term to follow up on actions from both sessions.</p> <p>Action RR to arrange an additional meeting</p>
15	<p>AOB</p> <p>021 A governor raised the question of how the committee is assured that all data shared by the college is accurate. As an example the audit of the annual stamen and accounts was considered. JS and AC agreed to reflect further on this question.</p> <p>Action – JS and AC to follow up to the committee on the assurance processes in place for information shared externally by the college</p>
16	<p>DATE OF THE NEXT MEETING</p> <p>022 The next meeting of the committee will take place on Tuesday 29th November 2022 at 5.30 pm.</p> <p>The Chair closed the meeting at 7.22pm</p>