

**CALDERDALE COLLEGE
AUDIT COMMITTEE MEETING**

**Draft Minutes of the Meeting held on 19 November 2020 held at 18.40
via MS Teams**

Present:

Rachel Court	External Governor (Chair)
Richie Dunk	External Governor
Jenny Grainger	External Governor
Adrian Furness	External Governor
Chris Reeve	Co-Opted Governor

In Attendance:

Katherine Disley	External Governor
Richard Laycock	External Governor
Sharon Bowker	Executive Director (Finance and Funding)
Rob Rawlinson	Director of Operations (for Item AC/20/153)
Jonathan Creed	ICCA
Jane Taylor-Holmes	Clerk

Agenda: There were no items of other business.

Min. No	Minutes	Action
1	AC/20/149 - Apologies for absence No apologies were received, all Committee members were present. Representatives from Grant Thornton were not present at the meeting.	
2	AC/20/150 – Confirmation of eligibility, quorum and declarations of interest No notice had been received of any member becoming ineligible to hold office. The meeting was quorate. There were no declarations of interest in agenda items.	
3	AC/20/151 – Minutes of previous meetings Resolved – The minutes of the meeting held on 24 September 2020 were approved as a true and accurate	

Min. No	Minutes	Action
	record, subject to amendment.	
	<p>AC/20/152 – Matters Arising</p> <p>4 In relation to the actions arising from items AC/20/131, it was agreed that both items would remain on the agenda until the assurance framework had been developed.</p> <p>5 All further matters arising from previous meetings were completed, or on the agenda for discussion.</p>	
	<p>AC/20/153 – Health and Safety</p> <p>6 Committee members welcomed Rob Rawlinson, Director of Operations to the meeting.</p> <p>7 It was noted that there was a significant reduction in the number of students on work experience than previous years, however Mr Rawlinson explained that risk assessments for work placements were still being undertaken.</p> <p>8 In relation to COVID-19, there had been changes throughout the period to guidance. Nothing significant had been changed but there was some greater clarity on adult students who were infilling with 16-18 students which had been helpful.</p> <p>9 Mr Rawlinson explained that as of Monday 23rd November, more students would return to college and increased cleaning had been scheduled.</p> <p>10 In relation to the number of COVID cases since the academic year commenced; 21 staff 51 students</p> <p>11 The number staff and students self-isolating in the academic year; 636 in total 158 staff 478 students</p> <p>12 There had been some operational impact, with one department needing to move to online delivery due to the number of teachers isolating.</p> <p>13 Mr Rawlinson commented on the COVID response team within the College and confirmed that the COVID response</p>	

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	<p>service operated 7 days per week, receiving calls from student, staff and parents. Mr Rawlinson explained that where there was contact within the college, there was an investigation and the College would liaise with the Public Health team to share contact investigation, which would then proceed to notification.</p>	
14	Mr Rawlinson commented that each case came with a unique set of circumstances and explained that any lessons learned that are identified are picked up immediately and are discussed at the COVID response team meeting.	
15	Mr A Furness, External Governor asked for the running total of cases to be stated in future reports to the Committee.	
16	Mr C Reeve, co-opted Governor asked what had changed a result of what had been found when reviewing cases.	
17	Mr Rawlinson explained that one pattern that had emerged was where it had been noticed that a number of students had come into college with symptoms, responses have been provided individually and to all parents asking them to be extra vigilant. No wide changes had been made.	
18	Mr Rawlinson commented that there had been regular communications with staff. COVID audits were being undertaken to check and observe practice. It had been noticed that some level of complacency had been setting in. A further email would be sent asking for staff to remain vigilant and asking for everyone's help and support. Case numbers were increasing in Calderdale and the importance of keeping messages sent out to staff and students was recognised.	
19	Resolved: Committee members noted the Health and Safety update.	
	AC/20/154 – Audit Recommendations and Actions	
20	Mrs S Bowker, Executive Director (Finance and Funding) provided an overview of progress towards the agreed actions arising from Internal and other Audit reports.	
21	An updated report had been provided and Committee members recognised that a lot of work had been undertaken to make the report much more straight forward and easier to understand.	

Action: Mr Rawlinson March 2021

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22	Committee members were really pleased to see the improved report.	
23	The two red rated recommendations which were not implemented and past the due date were reviewed;	
24	In relation to the outstanding Prevent training. The majority of staff members who haven't completed the training are staff on long term sickness or furlough. Mrs Bowker confirmed that management interaction has taken place.	
25	In relation to covenants, it was noted that reporting against bank covenant compliance would commence once the year end outturn position was forecast.	
26	In relation to those where completed but ongoing activity, it was agreed that these would remain on the follow-up log until these are reviewed by ICCA and there is confirmation that the actions were completed.	
26	Resolved: The Committee noted the progress in relation to Audit recommendations.	
	<p>AC/20/155 – External Audit Performance</p> <p>(i) Review of Performance of Key Indicators 2019/20</p>	
27	Mrs Bowker provided a review of the Performance Indicators for the External Audit service.	
28	It was noted that this year, due to the inability of External Audit staff to come to the College to conduct the audit, there have been challenges in relation to completing the audit online. The audit team had also experienced some challenges in term of staffing due to one member of staff going on paternity leave. This had been resolved and it was hoped that the final Annual Financial Statements would be available for the Board meeting in December.	
29	Resolved: Committee members noted that all performance indicators were either met or are expected to be met.	
	<p>AC/20/156 - External Audit Appointment Process</p>	
30	Mr Creed explained that the existing procurement (CPC)	

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31	<p>framework expires on the 5 December 2020 and that there may changes in the list.</p> <p>Committee members discussed the proposal that the College use the CPC framework to support the appointment process, which was the second option within the paper.</p>	
32	<p>Mrs Bowker explained that in using the framework, the College may be slightly restricted with weightings. Mrs Bowker commented that she had used this route twice and didn't feel that there was a favoured approach but using the framework was quicker. It was agreed that the use of the framework could be reconsidered if there were any changes to the list on the framework.</p>	
33	<p>It was noted that there was a timeframe of three months to commence the process.</p>	
34	<p>Committee members expressed concern should there be a position where the weighting impacts on quality, for example if there was a new entrant into the market where get weighting heavily on price.</p>	
35	<p>Mrs Bowker confirmed that there was no obligation to appoint under the framework and should the weighting create a challenge, an independent approach could be undertaken.</p>	
36	<p>It was agreed that Mrs Bowker would provide an update to the Committee and Board members in relation to the framework (in particular whether there was anything that would mean that the framework should not be followed) and an initial proposal and timeframe for how the process would be run would be provided in the New Year to Committee members.</p>	<p>Action: Mrs Bowker December 2020 / March 2021</p>
37	<p>Resolved: Committee members approved the sourcing of a new external auditor using the CPC framework.</p>	
	<p>AC/20/141 – Whistleblowing Annual Report</p>	
38	<p>Resolved – Committee members approved the report and recommended this to the Corporation.</p>	
	<p>AC/20/142 – Audit Committee Annual Report 2019/20</p>	
39	<p>Committee members reviewed the Annual Report.</p>	

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40	Committee members discussed the content of the Annual Report, and considered whether the report should include reference to the Health and Safety responsibilities of the Committee.	Action: Mrs Taylor-Holmes December 2020
41	It was noted that the annual report was produced to go to the ESFA with the Annual Financial Statements.	
42	It was further noted that in reviewing the effectiveness of the Committee and compliance with all aspects of the terms of reference, this had been done at the September meeting.	
43	It was agreed that the report would be amended to ensure that there is reference made to the Terms of Reference as appended at Appendix 1.	
44	It was further agreed that at section 10.1 would be amended to reference assurances provided throughout the year.	
45	Resolved: Subject to the amendments, the Annual report was recommended to the Board in December 2020.	
	<p>AC/20/143 Risk Management</p> <ul style="list-style-type: none"> • Risk Register <p>46 Committee members considered the risk register, it was noted that there had been no changes in the risk ratings since this was last reviewed by the Committee in September.</p> <p>47 The risk register had been reviewed by SLT prior to coming to the Committee.</p> <p>48 Mrs Bowker explained that there was a new column, after mitigation, providing the SLT lead. It was agreed that this was a helpful addition.</p> <p>49 Mr Reeve asked about whether Brexit should be referenced within the risk register.</p> <p>50 It was agreed that the impact of BREXIT could be included on risks:2 Impact on reduction in public expenditure (direct & indirect), 5 Failure to achieve planned income 8 Failure to attract & retain suitably skilled and motivated staff and / or 11 Non-compliance with</p>	

Min. No	Minutes	Action
	registration.	
51	Committee members discussed where the biggest risk to the College in relation to Brexit was. It was agreed that this was in relation to European Funds. It was agreed that the risk register would be updated to reference mitigation in place in a similar way to COVID.	
52	A further question was raised in relation to whether the pension obligation should be added to the Risk Register as it is the largest balance on the balance sheet, has caused the Barclays default and may result in higher contribution from the College in the next years.	
53	It was noted that the College had focused on maintaining a risk register at a strategic level which does not include specific risks per se. It was agreed that this issue could be covered under either: 2 Impact of reduction in public expenditure (as an element of the pensions is currently grant funded) or 6 Failure of adequately control expenditure.	
54	The inability to mitigate was noted and it was agreed that the next actuarial review was due in 2021. It was agreed that this could be referenced in risk number 6, failure to control expenditure and a reference made to those risks and matters which were outside of direct control (eg. Pension).	
55	It was agreed that the Risk Register would be amended.	Action: Mrs Bowker December 2020
56	Committee members reviewed risk 10 and 11, which were those risks monitored by the Audit Committee.	
57	Committee members confirmed that the risks remain unchanged however, they would be reviewed further when Internal Audit get the opportunity to review.	
58	Committee members noted the work being done internally by the quality team to review ILR.	
59	In relation to legislative requirements, the risk had increased due to Health and Safety and COVID requirements / implications.	
60	In relation to compliance with training, Mrs Bowker confirmed that current staff compliance was; Prevent 98% and GDPR now 99%.	

Min. No	Minutes	Action
61	Resolved; Committee members noted the content of the Report.	
	AC/20/161 – Items to be reported to the Board	
62	Items to be recommended to the Board for approval; <ul style="list-style-type: none"> • Whistleblowing Annual Report • Audit Committee Annual Report. 	
63	It was agreed that the following would be reported to the Board for information: <ul style="list-style-type: none"> ➤ Health and Safety and COVID response presentation on the subject had been received from Rob Rawlinson. ➤ Update on audit recommendations and progress in reporting in this area. ➤ Note that the Audit Committee had agreed the process for appointment of External Auditors. ➤ The Committee had reviewed the Risk Register and proposed some changes. 	
64	It was agreed that when completed Internal Audit reports were received, these would be circulated to Committee members to avoid a large number of reports being sent with papers.	Action: Mrs Bowker When available.
	AC/20/162 – Dates of Future Meetings	
65	Audit Committee – 18 March 2021 at 5.00pm	

Signed as a true and accurate record

Rachel Court

18 March 2021

Chair

Date