

## CALDERDALE COLLEGE AUDIT COMMITTEE MEETING

**Minutes of the Meeting held on 24 November 2022 via MS Teams at  
5.00pm.**

### **Present:**

Rachel Court	External Governor (Chair)
Katherine Disley	External Governor
Jenny Grainger	External Governor

### **In Attendance:**

Andrew Harrison	Vice Principal – Corporate Resources
Jonathan Creed	ICCA
Richard Lewis	RSM (from AC/22/139)
Jane Taylor-Holmes	Clerk

***Agenda: There were no items of other business.***

<b>Min. No</b>	<b>Minutes</b>	<b>Action</b>
	<b>AC/22/130 - Apologies for absence</b>	
1	Apologies were received from Richie Dunk, External Governor, Adrian Furness, External Governor and Chris Reeve, External Governor	
2	Committee members welcomed Mr R Lewis, RSM to the Audit Committee.	
	<b>AC/22/131 – Confirmation of eligibility, quorum and declarations of interest</b>	
3	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.	
4	Mr J Creed, ICCA, expressed an interest in item AC/22/135	
	<b>AC/22/132 – Appointment of Chair 2022/23</b>	
5	<b>Resolved</b> – Mrs R Court was appointed as Chair of the Committee for 2022/23	

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6	<p><b>AC/22/133 – Minutes of previous meetings</b></p> <p><b>Resolved</b> – The minutes of the meeting held on 7 June 2022 were approved as a true and accurate record.</p>	
7	<p><b>AC/22/134 – Matters Arising</b></p> <p>Committee members noted that a number of matters arising were for discussion at the September Governor Development Day, the agenda for this meeting had been amended and it was agreed that Mrs J Taylor-Holmes, Clerk to the Corporation would discuss the schedule of Governor Development Days with the new Principal when he starts the role in January.</p>	
8	<p>Mrs Taylor-Holmes explained that Mr A Wright, External Governor had been appointed as the Health and Safety Link Governor and had received the Health and Safety update and provided some feedback and comments.</p>	
9	<p>It was agreed that work would be undertaken to more formalise the relationship between Mr Wright and the Committee in relation to Health &amp; Safety and the Board. It was agreed that Mrs Taylor-Holmes would progress this action with Mr Wright</p>	
10	<p>All further matters arising from previous meetings were completed, for completion at a future meeting date or on the agenda for discussion.</p>	
11	<p><b>AC/22/135 – Internal Audit Appointment Process / Timetable</b></p> <p>Mr Harrison provided details of the process and timetable proposed in relation to the re-tender of the Internal Audit service.</p>	
12	<p>It was noted that this was standard based on the CPC framework with the timetable allowing for the approval of the award at the March Audit Committee meeting.</p>	
13	<p>It was noted that there would be a slight change to the presentation date to take into account holiday commitments.</p>	
14	<p><b>Resolved:</b> subject to the slight amendment to the presentation date, the internal audit appointment process and timetable was approved.</p>	

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	<b>AC/22/136 – Health and Safety update</b>	
15	Mr Harrison provided the Health and Safety update.	
16	Committee members received the questions from Mr Wright and noted as follows; in relation to near miss reporting and staff being aware of the requirement to report near misses, Mr Harrison explained that near miss reporting would be including within training and induction and a further emphasis placed on this.	
17	Mr Wright had also asked about fire drills and practices. Mr Harrison explained that there is a schedule of fire drill testing however, there had been a real activation of fire alarm last Wednesday when the fire alarm had been activated by a student and the PwC building was evacuated	
18	There would be learning from any real activation and this would be factored in to replace a practice test.	
19	Mrs J Grainger, External Governor asked about the incident outside College on 24 November which had been reported to Governors. Mrs Grainger also commented that Governors had been briefed previously about other incidents which had occurred at College. Mrs Grainger asked whether this was something to add to the report.	
20	Mr Harrison provided further information in relation to the incident which had occurred on 24 November. Mr Harrison explained that a student had been attacked by a stranger on the way into the College. The alleged culprit had been apprehended and the student had been to hospital with non serious injuries. There was an increased security presence on site and the Police had attended site promptly. There had been liaison with the Police and witnesses and parents of those affected liaison with student services support.	
21	The previous incidents were two fights which had occurred between students outside the College site. One student had been apprehended by Police and hospital treatment provided.	
22	Committee members noted that there continued to be increased security presence on site.	
23	Mr Harrison confirmed that one of the matters being considered by SLT members was in relation to behaviour of	

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24	<p>students and how this appeared to have been negatively impacted by COVID</p> <p><b>Resolved:</b> Committee members noted the Health and Safety update</p>	
25	<p><b>AC/22/137 – Audit Recommendations and Actions</b></p> <p>Mr Harrison provided an overview of progress towards the agreed actions arising from Internal and other Audit reports.</p>	
26	<p>Committee members asked for clarification regarding the one action not completed and past that date for completion. Mr Harrison explained that this was part of a number of actions which were being completed by the student services team. The action was due to be fully implemented in December.</p>	
27	<p>It was noted that tracking of other recommendations and actions would be included in future reports. For example, recommendations arising from the external audit and other assurance sources</p>	
28	<p><b>Resolved:</b> The Committee noted the progress in relation to Audit recommendations.</p>	
29	<p><b>AC/22/138 – Other Assurance Reports</b></p> <p><b>Article 127 ESFA Audit</b></p> <p>Mr Harrison commented that the College was one of the key leaders on the ESF project and there was a strict audit regime around compliance with the project. The ESFA was the lead body responsible for ensuring the audit of expenditure against the project and any match funding.</p>	
30	<p>Mr Harrison confirmed that the audit had included a thorough review of evidence to support the project and that no issues had been raised.</p>	
31	<p>It was noted that other assurance reports would be presented to the Audit Committee in the future.</p>	
32	<p><b>Resolved:</b> The Committee received the Article 127 report.</p>	
33	<p><b>AC/22/139 Internal Audit Reports</b></p> <p>Mr J Creed, ICCA provided the internal Audit Reports.</p>	

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34	In relation to the HR Strategy and People Management report; Mr Creed commented that a substantial assurance opinion had been provided and referred to the action plan at section 3. There had been one medium and three low rated recommendations provided. Mr Creed referred Committee members to section 3.1 of the report and the medium priority recommendation.	
35	Mr Creed commented that there was a robust staff appraisal system in place and that the recommendation was about the level of compliance with the system. There were a number of issues with compliance highlighted particularly regarding 2021 and it was agreed that there should be a focus to ensure better compliance in 2022/23.	
36	In relation to staff training; the audit had identified that there were some staff members who had not completed mandatory training.	
37	Committee members were referred to management comments on the recommendations. There was management acknowledgement of the recommendations and actions in place to ensure completion.	
38	It was noted that progress would be monitored through the audit recommendations and actions report.	
39	Committee members discussed the report and that the staff area of risk was owned by the Finance and Resources Committee. It was noted that the HR dashboard did include compliance with mandatory training. It was agreed that the HR Strategy and People Management report would be circulated to the Finance and Resources Committee.	<b>Action: Mrs Taylor-Holmes December 2022 / on agenda for March 2023</b>
40	Mrs R Court, External Governor and Chair of the Committee explained that the Search and Governance Committee had recently reviewed Governor compliance with mandatory training and had identified some challenges, particularly in relation to the reliance on a manual prompt for completion.	
41	Mr Harrison explained that as Governors do not have internal emails, they would not receive the automated reminder. The automated reminder process did apply to staff. It was noted that this would be considered further by Search and Governance Committee.	
42	In relation to the ESFA Mock Funding Audit; Mr Creed commented that the report was in draft at the previous	

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	meeting, had been discussed and was now finalised. Mr Creed explained that the approach taken mirrors the way that the ESFA complete a funding review. Mr Creed commented that a reasonable assurance opinion had been provided.	
43	Mr Creed explained that the bulk of recommendations were in relation to apprenticeships due to the complexity of the process, the reliance on documentation and the heavy reliance on employers to complete parts of the process.	
44	Mr Creed explained that there were eight recommendations in total; one medium and seven low priority.	
45	Mr Creed referred to the medium recommendation at section 3.6 of the report in relation to attendance. It was noted that it was important to be able to evidence continued attendance and engagement with dates recorded within the ILR with support from the register or alternative attendance evidence. It was noted that this was important in relation to adult students and progress.	
46	Mr Creed commented that there had been a positive management response with very timely implementation dates.	
47	Committee members noted that there were similar comments made as part of the external audit.	
48	Mr Harrison confirmed that the College had until three months after the year end to submit the ILR, therefore at the time of the audit, there may have been additional evidence to be gathered to support the report. Mr Harrison explained that the recommendations were helpful in relation to the preparation of the final ILR return.	
49	Mr R Lewis, RSM commented on the importance of the mock funding audit report and that apprenticeships provided recommendations as part of the external audit.	
50	It was agreed that it may be useful for additional training in this area for Governors to support understanding of the processes in place regarding apprenticeship provision. It was agreed that this would be considered as part of the Governor Development plans. Mr Harrison commented that in his previous college role, and following the recommendations from Bourneville College, the Audit Committee had received regular reports about data returns and levels of accuracy and it was agreed that similar	<p data-bbox="1235 1733 1422 1845"><b>Action: RSM / Mrs Taylor-Holmes 2023</b></p> <p data-bbox="1259 1935 1398 2018"><b>Action: Mr Harrison TBC</b></p>

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51	<p>information would be brought to the Committee at a future meeting.</p> <p>Mrs Grainger asked about the review process for the return before submission. Mr Harrison confirmed that there were heavy validation routines which identify and issues and a software system which automatically reviews the accuracy of the report.</p>	
52	<p>Mr Creed presented the Follow-Up of Previous Recommendations report. In relation to follow up, it was noted that there was one recommendation only partially completed which was completed in first quarter after. It was also noted that the recommendations from the mock funding audit were consistent with the report previously noted as ICCA review at a point in time. Mr Harrison explained that any outstanding recommendations would be carried forward.</p>	
53	<p><b>Resolved:</b> Committee members received the Internal Audit Reports.</p>	
<b>AC/22/140 – Internal Audit Annual Report 2021/22</b>		
54	<p>Mr Creed presented the Internal Audit Annual Report 2021/22.</p>	
55	<p>Mr Creed explained that the report formed part of the Audit Committee Annual Report and that the Annual Report provided a summary of all matters considered by the Audit Committee throughout the year and 'Reasonable Assurance' had been provided. It was noted that this was the highest level of assurance available based on the work undertaken;</p>	
56	<p>"Based on the work undertaken during the year and the implementation by management of previous internal audit recommendations, we can provide the Audit Committee and Corporation with 'Reasonable Assurance' that Calderdale College's governance, risk management and systems of internal control were operating adequately and effectively and that there were no instances where any breakdown of control resulted in a material discrepancy.</p>	
57	<p>In our opinion, the College has adequate and effective governance, risk management and systems of internal control in place to manage the achievement of its objectives and securing economy, efficiency and effectiveness."</p>	

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58	It was noted that there were no issues arising from the report.	
59	<b>Resolved</b> – Committee members received the Internal Audit Annual Report 2021/22	
60	<p><b>AC/22/142 – Whistleblowing Annual Report 2021/22 &amp; Whistleblowing Policy</b></p> <p>Mrs Taylor-Holmes presented the Annual Report 2021/22, this was recommended to the Board.</p>	<p><b>Action: Mrs Taylor-Holmes December 2023</b></p>
61	It was agreed that in future years, the Annual Report would be expanded to include instances of fraud and irregularity.	
62	The Whistleblowing Policy was reviewed and no amendments were proposed.	
63	<b>Resolved</b> – Committee members approved the report and the Whistleblowing Committee and recommended both to the Corporation for approval.	
64	<p><b>AC/22/143 – Risk Management</b></p> <p><b>Risk Management Annual Report 2021/22</b></p> <p>Mr Harrison presented the Risk Management Annual Report 2021/22.</p>	<p><b>Action: Mr Harrison March 2023</b></p> <p><b>Action: Mr Harrison December 2022</b></p>
65	Mr Harrison commented that the four risks selected within the report were based on those reported in previous year.	
66	It was agreed that the report would be amended to include the rationale for including the four selected risks, to include the mitigation in place and the suitability and effectiveness of the mitigation and a statement as to whether the College was within risk appetite in relation to the risks.	
67	It was agreed that the report would be brought back to the Audit Committee in March with the full risk register.	
68	<p><b>Risk Register</b></p> <p>It was agreed that the full risk register would be circulated to all Audit Committee members.</p>	



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69	It was noted that the papers included the four risks which the Committee has oversight.	
70	It was agreed that the full risk register would be added to the agenda for all future Audit Committee meetings.	<b>Action: Mr Harrison / Mrs Taylor-Holmes Future Audit Committee meetings.</b>
71	Committee members reviewed the risk allocated to the Committee and confirmed that no changes were required to the scoring of the risks.	
72	It was agreed that the discussion around the risk register and feedback from RSM to the Committee about the sector would be brought to the next meeting.	
73	<b>Resolved;</b> Committee members noted the content of the Report.	<b>Action: RSM / All March 2023</b>
	<b>AC/22/144 – Post-16 Audit Code of Practice changes</b>	
74	Mr Harrison confirmed that there had been a small number changes made in the September update to the Post-16 Audit Code of Practice. The changes were shared with the Committee.	
75	Audit Committee members noted the changes within the report.	
76	<b>Resolved;</b> Committee members noted the content of the Report.	
	<b>AC/22/145 – Audit Committee Annual Report 2021/22</b>	
77	Mrs Taylor-Holmes presented the Audit Committee Annual Report 2021/22.	
78	It was noted that the sections in yellow were subject to the outcome of discussions held at the meeting and would be updated as required.	
79	It was agreed that additional wording would be added to section 5.2 of the Report reflecting that the Committee would further review the Risk Management Annual Report in March 2023.	<b>Action: Mrs Taylor-Holmes December 2022</b>
80	It was agreed that Mrs Taylor-Holmes would liaise with RSM to update the wording in red in the report on	

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81	<p>finalisation of the Financial Statement Auditors statements within the Annual Report.</p> <p><b>Resolved:</b> Subject to the amendments, the Annual report was recommended to the Board in December 2022.</p>	
82	<p><b>Terms of Reference</b> – Mrs Taylor-Holmes explained that the Terms of Reference had last been reviewed and approved by the Board in March 2022.</p>	
83	<p>It was noted that there were no changes to the Audit Committee Terms of Reference needed as a result of the changes to the Post-16 Audit Code of Practice</p>	
84	<p><b>Resolved:</b> Committee members approved the Terms of Reference and recommended the Terms of Reference to the Corporation.</p>	
<p><b>AC/22/146 – Committee Self Evaluation</b></p>		
85	<p>Mrs Taylor-Holmes presented the Committee self-evaluation and referred Committee members to the assessment against the performance of the Committee during 2021/22. It was agreed that all aspects of the Terms of Reference had been discharged.</p>	
86	<p>It was agreed that additional training in relation to apprenticeships and funding would be provided to the Committee.</p>	
87	<p>It was agreed that there had been further development of risk management reporting and that the annual report in this area would be further developed.</p>	
88	<p>The Committee reviewed and approved Committee Schedule of Business 2022/23.</p>	
89	<p><b>Resolved:</b> Committee members approved the Committee Self-Evaluation.</p>	
<p><b>AC/22/147 Items to be reported to the Board</b></p>		
90	<p>Items to be recommended to the Board for approval;</p> <ul style="list-style-type: none"> <li>• Whistleblowing Policy</li> </ul>	
91	<p>Items to be provided to the Board for information;</p> <ul style="list-style-type: none"> <li>• Whistleblowing Annual Report</li> <li>• Audit Committee Annual Report 2021/22</li> </ul>	

Min. No	Minutes	Action
92	<p>It was agreed that the following would be reported to the Board for information, the Committee had;</p> <ul style="list-style-type: none"> <li>➤ Received the Health and Safety</li> <li>➤ Reviewed progress against Audit recommendations noting that this remained good with action being taken to address the one outstanding action. The Committee had noted that recommendations from other sources such as external audit would be added to this log.</li> <li>➤ Received another assurance report following an Article 127 ESFA audit.</li> <li>➤ Received Internal reports on HR strategy and People Management – substantial assurance, ESFA Mock funding Audit – reasonable assurance (containing some similar themes as recommendations from the external audit) and Follow up.</li> <li>➤ Received the Internal Audit Annual Report 2021/22.</li> <li>➤ Reviewed the risks allocated to the Committee and confirmed no changes were required to the scoring of the risks.</li> <li>➤ Received an update on changes to the Post-16 Audit Code of Practice.</li> <li>➤ The Committee had reviewed the Committee Self-Evaluation and confirmed that the Committee had discharged all responsibilities under the Terms of Reference and had approved the Audit Committee Schedule of Business.</li> </ul>	
93	<p>The Committee had also approved the Internal Audit Process and Timetable and the appointment would take place at the March 2023 Audit Committee meeting.</p>	
	<p><b>AC/22/148 – Dates of Future Meetings</b></p>	
94	<p>Audit Committee – 23 March 2023, 22 June 2023</p>	
	<p><b>AC/22/149 Meeting in the absence of Management</b></p>	
95	<p>Mr Lewis asked whether the Committee members were aware of any instances of fraud which need to notify the External audit function about, the Committee confirmed not.</p>	
96	<p>Committee members discussed the potential challenges of having a new senior leadership team in place. It was noted that this was a recently added risk on the risk register. It was noted that Mr Harrison had significant experience in the sector.</p>	

Signed as a true and accurate record

Rachel Court

23 March 2023

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Chair

Date