

MINUTES



AUDIT COMMITTEE MEETING

Date: 10th June 2021

Time: 5.00pm

Venue: Video Conference

Present:

Andrew Fawcett (Chair)

Stephanie Nixon

Farhad Ahmad

In Attendance:

Bill Webster (Principal)

Garry Westwater (Executive Director of Finance)

Danny Harvey (PwC)

Lewis Fletcher (PwC)

Deborah Bradburn (Clerk)

Jill Hebden (Secretary)

1. SECTION A - BUSINESS MATTERS FOR CONSIDERATION UNLESS INDICATED OTHERWISE

1.1 Welcome to Members/Officers

The Chair welcomed members to the meeting, which commenced at 5.05pm.

1.2 Apologies for absence

Apologies were received from Gulnaz Brennan and Chris Ball.

1.3 Declarations of Interest

The Chair reminded everyone present to declare any interests that they may have on matters to be discussed. Standing declarations were noted particularly in relation to the University of Bolton reciprocal governance arrangements and also paid positions.

There were no declarations of interest.

1.4 Request for an item to be unstarred

No requests were made.

1.5 Minutes of the previous meeting held on 25th March 2021

The minutes of the meeting held 25 March 2021 had been previously circulated to members for consideration.

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Agreed: that the minutes are approved as a correct record and authorised for publication.

1.6 Matters arising from the previous minutes

The Clerk presented the action progress log.

2. SECTION B - COLLEGE MATTERS FOR CONSIDERATION UNLESS INDICATED OTHERWISE

AF congratulated BW and GW on the College's outstanding financial grading from ESFA.

2.1 Internal Audit Progress Report & 2020-21 Audit Plan Update

Progress Report 2020/21

PwC presented the report and the following points were noted:

- Further work would be undertaken on the business continuity plan.
- The majority of work undertaken had focused on the internal audit plan.

RESOLVED:

The Committee noted the internal audit progress report and 2020-21 audit plan update.

2.2 Outstanding Audit Recommendations: Monitoring Schedule

The treasury policy would be presented at the next Audit Committee meeting.

RESOLVED:

The Committee noted the outstanding audit recommendations.

ACTION:

- Executive Director of Finance to present a treasury policy.
- Clerk / Audit Committee agenda

2.3 Proposed 2021-22 Internal Audit Plan

PwC presented the proposed audit plan for 2021-22, noting the following points:

Four audits will be undertaken:

1. Budgeting and forecasting process review
2. Health and Safety
3. Procurement and inventory management review
4. Cyber Security

Procurement and inventory management would be useful from a value for money perspective. Debtor management and cash control had improved processes and controls. Cyber security was an increased risk across the education sector and would be a valuable piece of work to undertake.

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Governor Questions

- Does the College agree these are the right areas to look at?
These areas have been to Executive Team for discussion and agreed. Cyber Security was high on the list with a lot of work already undertaken and tied in with business continuity.

RESOLVED:

The Committee noted and approved the 2021-22 internal audit plan.

2.4 Risk Management / Risk Register

The risk management annual report which summarised the College's approach to risk was presented and discussed.

- A number of risks were revised as a result of recent updates i.e. sector skills shortages in areas such as construction and IT. Prior concern regarding English and maths achievement was due to the continuing pandemic implications and the Bolton Council restructure had had an impact on the Community Learning contract.
- The risk related to recruitment was raised at Resources Committee. The College was looking into new, innovative and sustainable ways to attract good quality staff in these areas.

Governor Questions

- How is recruitment for next year?

Although it is early, indicators are good and the College is ahead on 16-18 recruitment. The biggest risk for 2021-22 was the potential for over-delivery requirements on AEB, there was no clarification on this yet.

- With the exception of the BCMS project previously, has the College had external support in funding bids?

In the last six weeks, the College has submitted five bids at varying volumes. External bid writing had been appropriate for the larger bids. The College has been invited to bid for growth money for 16-19 to increase the gross internal floor area. The College has spent £1.2million in capital this year with in excess of £250k spent on laptops and other IT equipment.

All bids submitted were of good quality but would have been better if there had been a longer submission period.

RESOLVED:

The Committee noted the update to the Risk Management / Risk Register and that it was an accurate reflection of the risks and how those risks were being addressed.

2.5 ESFA Audit Code of Practice 2020-21

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The following update was provided by the Clerk to inform the Committee of the annual update which was revised in March 2021. The Code of Practice was revised against the backdrop of the FE White paper, the changes to the College's assessment of compliance against the Code had been reviewed and any areas for amendment had been identified.

Governor Questions

- Do the Terms of Reference for the Committee need to be adjusted?
The Terms of Reference had been adjusted previously and were in line with the FE White paper.

There was now a requirement for independent assurance on subcontracting; most College's used independent auditors to review the processes. This would be discussed with the College external auditors.

RESOLVED:

The Committee noted the report.

ACTION:

Executive Director of Finance to discuss subcontracting assurance with external auditors.

3. SECTION C - UNIVERSITY GROUP MATTERS FOR CONSIDERATION UNLESS INDICATED OTHERWISE

None.

4. SECTION D - ANY OTHER BUSINESS

4.1 ESFA Policy / Funding Rules / Conditions of Grant Changes

This was a standing item on the agenda to discuss noteworthy matters. The following was noted:

- There would be an update to the Board on the financial dashboard data and ESFA confirmation of the College's 'Good' financial health achievement for 2019-20 and provisional 'Outstanding' for 2020-21.

RESOLVED:

The Committee noted the update provided.

The Committee discussed the merits of returning to face-to-face meetings and agreed to consider the matter further and was dependent on agenda items that may warrant discussions in person.

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5. SECTION E - FUTURE MEETINGS

Thursday 15th October 2021 at 5.00pm

There being no further business to discuss, the meeting closed at 6.15pm

Chair's Signature:

A handwritten signature in black ink, appearing to read 'A D Jowce', written in a cursive style.

Date: 15 October 2021