

**Minutes of the Audit Committee (AC) video-conference AC21.3 held on Wednesday 22 June 2022
Long Road Sixth Form College, Cambridge**

Present: Sebastian Rasinger (committee Chair), Hugo Macey, and Alex Wong

In attendance: Charlotte Hemmins (Finance Director), Georgia Russell from Buzzacott

Clerk: Anne-Marie Diaper

Ref **Actions:**

AC21.3.1 Apologies for absence
None. The Principal was not able to participate in the meeting; she was attending a national conference. The Clerk confirmed the meeting was quorate.

AC21.3.2 Declarations of Interest
None.

AC21.3.3 Minutes of AC21.2 held on Wednesday 23 March 2022
With no comments or amendments the committee approved the minutes of the last meeting as a true and accurate record.

AC21.3.4 Matters arising from the minutes not covered elsewhere on the agenda
AC21.2.4. The AC Chair advised the committee that a recent meeting had taken place between the AC Chair the FD and the Clerk, to discuss committee business, at which it had been agreed that the revised Business Continuity Plan (BCP) would be brought for consideration at the **Agenda** AC22.1 meeting scheduled for November 2022.

AC21.3.5 Committee review of key policies
The FD led the report on this agenda item.

GDPR/Data Protection policy. The written policy was provided to the committee. The FD advised AC members that there had been no changes in relevant legislation or recommended practice, so other than basic amendments shown there were no significant changes to the GDPR policy.

Freedom of Information policy and publication scheme. The written policy was provided to the committee. The FD advised AC members that there had been no changes in relevant legislation or recommended practice, so other than basic amendments shown there were no significant changes to this policy.

Governors asked questions about the number of challenging cases College received under the FoI policy, how and where these sit in terms of College operation. Governors were also keen to understand how College could provide assurance that the policies are up to date and are carried through in College operations strictly according to the regulations. The FD and Clerk explained the mechanisms in place for ensuring the relevant colleagues' knowledge was maintained and the

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written policies in place were current (seminars, legal advice, sector updates, and staff training).

The AC Chair and members confirmed that they felt assured at policy level and that according to reports processes seemed robust.

The AC was content to recommend both policies for Board approval

Actions:**Board****AC21.3.6 Audit assurance mapping including internal (specialist) audit plan for 2022/23**

The FD reported, reminding Governors of the purpose of the assurance map, which gave detailed information on assurances, including external assurances, against risks.

She talked through the changes in the assurance map that had been made since the last meeting. These included a clear JCQ inspection, careers appointments, and an HR assurance audit. The meeting also acknowledged the letter received from the ESFA confirming the College's outstanding financial position for the year ended July 2021. The Clerk also mentioned the external governance review that would be taking place at an appropriate time, which would give significant assurance. The HR report would be taken to the FRC in due course. The committee noted the overlap in responsibility.

The FD gave the committee an update on the planning application for the College's new build project, which would culminate in a handover of around February 2023.

The FD presented her proposed plan for assurance audits for next year:

Health & Safety – due to significant change in staff and responsibilities.

Curriculum support – to be confirmed once examination results have been published in the summer then the audit to be tailored to those areas of concern.

Financial controls audit – a call-off contract scheduled for the November 2022 meeting.

A Governor asked about RAG rating assurances on the map between amber and green and what management feels this might tell the committee in terms of the management view of oversight. The FD explained that the volatility of data in some areas (MIS) sometimes made it difficult to RAG rate some areas green. Despite the question, the Governor did not feel there was a lack of assurance. Another Governor asked about possible delays in the new build and the impact of that on accommodating students, and on the grant funding. The FD explained the mitigations in place.

A Governor then asked about the financial risk of inflation and staff pay rises. The FD explained the mechanisms and options in place to deal with those matters. She described in detail the factors at play and she referred to other cost pressures, but said all was being closely monitored.

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Actions:

With no further discussion, the AC approved the internal (specialist) audit plan for 2022/23.

AC21.3.7 Risk Management

The FD presented the termly updated risk register and risk action plan for 2021/22, which had been considered by the College's risk management group. She spoke to new risks added, and those removed (Covid), and those where ratings had changed.

A Governor asked about risks 6.3 and 6.4 and the reasons for those being risk rated as so. The FD explained that these two particular risks were subject to much debate in the risk group. This matter was relevant to the Business Continuity Plan and possible testing in future.

The AC Chair summed up. With the annual review of risk management, including risk management policy (RMG ToR), and action plan for 2022/23, the AC was content there was clear oversight of risk management and this provided adequate assurance. The AC would be able to provide assurance to the Board through the commentary in the 2021/22 financial statements and through the AC annual report in the autumn.

A Governor thanked the senior staff for a hugely detailed, comprehensive and reassuring piece of work.

AC21.3.8 Financial Statements Audit strategy 2022/23

The AC Chair and the FD handed over to Buzzacott to lead on this item. The FSA wished to highlight important aspects of the audit strategy and timetable for 2022/23 which included regularity, teachers' pension scheme, as well as a financial statements audit, all for Board sign off before Christmas 2022.

The audit would be similar to last year with not many changes in the College accounts direction. She explained that auditing standards had not changed significantly; she mentioned the different factors affecting 'going concern' on page 8. She referred to the accommodation reserve amounting to £403k, a question raised last year, explaining that the committee may change that presentation going forward and that moving the reserve would have no bottom line impact but it should be noted in the minutes.

She referred to the new building, the land sale, the inherent risk of management override of controls, which would link to the financial controls audit, income, related parties matters and the register of interest.

The committee was content with the strategy for 2022/23.

The auditor left the meeting at 6.20pm.

AC21.3.9 New financial regulations, procedures and appendices

The FD explained that the financial regulations and procedures etc showed no track changes because it was a completely re-written/new

Ref**Actions:**

model from previous years' iterations. This was one of the recommendations resulting from last year's financial statements audit. The College had acquired a number of examples and the Senior Finance Officer had led on drafting the version now presented. The FD explained that the version did not include any material changes to level of approval, wording etc. She explained that the key financial controls audit tests out the use of the financial regulations and procedures and the November 2022 financial controls audit may lead to further changes.

The AC felt reassured that the financial regulations and other policies in place were robust and welcomed the further assurance from the audit to come in the November 2022 meeting.

The AC approved the financial regulations, procedures and appendices as presented.

AC21.3.10 Review committee Terms of Reference (ToR), meeting dates/times and business plan for 2022/23

The Clerk had drafted the papers for this item and she presented them to the committee for approval. Since the committee had last met, the Post 16-Audit Code of Practice (P16ACOP) for 2021/22 had been published, and it was made available to Governors on the online portal/web. The draft ToR as presented had been updated to take account of changes shown in the P16ACOP. Once approved, the ToR would be included in the standing orders for Board approval.

There was a short discussion about section 3.3 and whether the wording should be amended. The AC took advice from the Clerk that, with no 'written' policy in place, nor necessary, the wording was reasonable and sufficient and as shown was in line with the P16ACOP.

The meeting dates largely mirrored the previous years' plan, with a termly meeting, and the business plan fitted the work commitments of the committee. Once approved these would be included in the Corporation Cycle of Business that would remain dynamic throughout the year.

With no further discussion, the AC approved its ToR and meeting dates and business plan for 2022/23.

AC21.3.11 Governance improvement plan (GIP) and self-assessment of effectiveness and leading to annual report for 2021/22

The Clerk had prepared the GIP for committee consideration. The committee noted the updated sections and in particular that the AC would be prioritised for new members as new Corporation members were recruited/elected. No further discussion.

AC21.3.12 Any other business

None.

AC21.3.14 Date of next meeting (2022/23)

AC22.1 Wednesday 9 November 2022.