

REASEHEATH COLLEGE BOARD
AUDIT COMMITTEE

Minutes of the meeting held on Thursday 18 March 2021 at 10.00 am
Via MS Teams

Present: Colin Baxter (independent, chair) CB
Karol Bailey (independent) KB
Evelyn Davies-Jones (external co-opted) EDJ
Mike Gorton (independent) MG
Fran Johnson (external co-opted) FJ
Peter Green (independent) PG

In attendance: Louise Tweedie RSM, LT
Criag Duff, RSM, CD (*item 5*)
David Ramage, RSM, DR (*item 5*)
Marucs Clinton, principal MC
Graeme Lavery, VP finance and resources GL
Matt Gower, VP Curriculum and Quality, MG (*items 1 – 5 inclusive*)
Jackie Schillinger, company secretary, JS

At the start of the meeting, there was the opportunity for the Committee to discuss any matters with College Auditors without the presence of managers.

PART A unless stated.

Item	Content
1.	WELCOME AND APOLOGIES FOR ABSENCE
1.1	The Chair welcomed all to the meeting. There were no apologies for absence.
1.2	The meeting was declared quorate.
2.	DECLARATIONS OF INTEREST
2.1	There were no interests declared as giving rise to a conflict of interest in relation to the agenda items for the meeting.
3.	AUDIT COMMITTEE TOR AND CYCLE OF BUSINESS
3.1	The Audit Committee Terms of Reference and Cycle of Business were received for information and reference. EDJ suggested that the papers in future could reference which aspect of the terms the

	reporting covers, which would help the committee to see how it has covered its responsibilities over the year and if there are any gaps.
4.	MINUTES AND MATTERS ARISING
4.1	Minutes of the meeting held on 4 December 2020 were approved as a correct record. EDJ received assurance that part B minutes are extracted before publication on the website and that the status of confidential minutes are regularly reviewed by Search and Governance committee.
5.	COLLEGE STRATEGIC RISK MANAGEMENT REVIEW
5.1	Members received the strategic risk review report from the Principal and took good assurance that covid-19 risks continue to be well managed. PG requested updated information on the financial impact of Covid and received assurance that the additional in year growth income has mitigated the impact to a significant degree and the college will be in a decent position at year end. Members then received a presentation on the new RSM 4Risk system from CD of RSM and an update on its implementation. Members welcomed the presentation and requested and received assurance that the system could be implemented at strategic risk level this year. GL confirmed that the risk system would be populated and a board assurance report available from the new system at the July meeting.
5.2	Members received a presentation on the new RSM 4Aciton system from DR of RSM and an update on its implementation, including the Audit Tracking Recommendation Reporting. Members welcomed the implementation of the new system as a good step forward and awaited the audit tracking report on the new system at the next audit committee meeting.
5.3	It was confirmed that the 4Risk and 4Action systems will be implemented over the next term and the full reports should be available to the summer committee meeting. Members requested and received assurance that the systems do not tie the college into using RSM as internal auditors following the end of the 5-year audit tender term and requested that the exit arrangements in the contract are reported back to audit members for full assurance.
6.	RSM UPDATE ON EMERGING SECTOR ISSUES
6.1	LT provided an update presentation on sector issues, including risk appetite and the next version of the audit code of practice. GL provided assurance that the college uses a balanced scorecard approach in its business planning process and LT confirmed this is a good approach and the next step would be to consider whether any of these business planning decisions are taking the college outside its risk appetite, so that there can be a clear understanding and management of any extended areas of risk. GL agreed to provide an overview of the business planning process and balanced scorecard approach at the next meeting.
7.	INTERNAL AUDIT REPORTS
7.1	Internal Audit Progress Report: LT presented the progress report, noting the good progress in the circumstances of this year. Members requested and received assurance that GL considered it possible to complete the remaining audits this year.
7.2	Internal Audit Benchmarking Report: LT presented the benchmarking report for assurance. She reported no concerns and GL gave assurance that internal audit is used in areas that the college wishes to

7.3	investigate rather than seeking a top 10% of college audit performance. It was also noted that the complexity of the Land-based sector differs from less complex sectors such as sixth form provision.
7.4	Follow Up Audit – Part 1 (3.20/21): LT presented the report, evidencing good progress on the follow up areas covered. EDJ requested and received assurance that superseded actions are checked and the new controls in place are picked up at the next audit. It was confirmed that this will come under the tracking system to give assurance, for example with the reference to key financial controls.
8.	IRREGULARITIES
8.1	There were no irregularities reported to the meeting.
9.	ITEMS FOR INFORMATION
9.1	The report 'Enhancing the Control Framework in Education' was received for information.
9.2	The report 'Determining your College/Academy Risk Appetite' was received for information.
10.	ANY OTHER BUSINESS
10.1	There was no other business reported to the meeting.
11.	ANY ITEMS TO ESCALATE TO RISK REGISTER/BOARD
11.1	<p>There were no additional matters raised to escalate to the board or risk register and it was agreed to highlight the following matters from the meeting:</p> <ul style="list-style-type: none"> • Good assurance was taken from the strategic risk report that Covid-19 impacts and mitigations continue to be identified and managed well. • In the meeting, the committee received presentations on the new RSM 4Risk system and 4Action system. As a result of implementation of these systems this term, the full risk register and the audit tracking report were not presented. However, a risk report with commentary and the internal audit Follow Up report provided good assurance on the continuing management of these two areas. • Good assurance on the internal audit reporting was received, with no concerns raised by internal auditors. • Internal audit planning for next year was discussed and audit committee members will join management and auditors to agree the plan to be approved in the summer term.

12.	DATE OF NEXT MEETING
12.1	The date of the next meeting was confirmed as Thursday 8 July 2021 at 10.00am

The meeting closed at 12.00pm

Approved as a correct record: 8 July 2021