**Barnet and Southgate College Corporation**
**Audit and Risk Committee Meeting**

**Date:** 2nd December 2021
**Time:** 19.15
**Venue:** Southgate Room 302a/302b

| | | |
|---|---|---|
| Present | Sheila Dawson | Chair |
| | Mark Sweeny | External Governor |
| | Alex Middleton | Co-opted member |
| In attendance | Mark Sellis | Executive Director Corporate Service (EDCS) |
| | Hiten Savla | Director of Finance (DOF) |
| | Lorna Lloyd-Williams | Head of Governance |
| | Darren Mepham (by invitation)* | Chief Executive |
| | Tracey McIntosh | Executive Director Commercial partnerships (EDCP) |
| | Stuart McKay | MHA |
| | Drushnee Rajanah | MHA |
| | Rakesh Shaunak | MHA |
| | Leisyen Cox | Scrutton Bland |

*Italics denotes absence* ***DRAFT MINUTES***

| **Item** | **The meeting opened at 19.15 and was quorate.** |
|---|---|
| 1 | The audit committee first met with the auditors in the absence of college officers and no matters of concern were raised. |
| 2 | **APOLOGIES FOR ABSENCE**<br><br>There were no apologies. |
| 3 | **DECLARATIONS OF INTEREST**<br><br>There were no declarations of interest. |
| 4 | **NOTIFICATION OF URGENT BUSINESS**<br><br>There was no urgent business. |
| 5 | **MINUTES OF THE MEETING HELD ON THE 22nd September 2021** |

| | |
|---|---|
| | The minutes of the meeting on the 22nd September were approved as a true and correct record of the meeting. |
| 6 | **MATTERS ARISING**<br><br>The committee chair took the committee through the action sheet.<br><br>The committee had asked to receive a plan from management to ensure the college does not have a limited assurance opinion next year. The EDCS went through the reasons for the limited assurance opinion and explained the steps being taken. Governors also asked about compliance which had been discussed at the last meeting and were advised this had been discussed by ELT and that in the spring there would be a process improvement plan undertaken. Governors asked about the report from the experts on the cladding and asked that this be brought to the December board.<br>**ACTION: EDCS** |
| 6a | **SUBCONTRACTING DUE DILIGENCE PROCESS AND REQUIREMENTS**<br><br>The EDCP explained that the changes in ESFA requirements and definitions had meant that a number of partnerships were now in scope. It was explained that it had been difficult to get some of this information from some partners as they are small traders. Governors were advised that ELT had reviewed the due diligence and that it was likely to be rationalised.<br><br>Governors asked for an explanation of what the 22 partners were doing and this was explained and why they now fell into the subcontractor definition. Internal auditors were asked if this was a widespread problem for colleges and the auditors advised that it was. |
| 7 | **REGULARITY AND PROPRIETY QUESTIONNAIRE**<br>For recommendation to the Governing Board<br><br>It was<br><br>**Resolved** to recommend the regularity and propriety questionnaire to the Governing Board for approval and signature by the Chair of the Governing Board and the Accountable officer. |
| 8 | **FRAUD QUESTIONNAIRE**<br><br>It was confirmed that the external auditors had seen the fraud questionnaire. Governors asked about the ESFA anti-fraud checklist and action plan which had been considered by Audit Committee in June and approved by the Board |

| | |
|---|---|
| | in July, along with the Counter-Fraud Strategy. It was agreed that the Action Plan needed to be reviewed and an update given to audit committee this year.<br><br>**Action: EDCS** |
| 8 | **ANNUAL REPORT OF THE AUDIT COMMITTEE**<br>For recommendation to the Governing Board<br><br>It was agreed that the chair of the committee and the Head of Governance would finalise the outstanding issues and subject to this it **was**<br><br>**Resolved** to recommend the annual report of the audit committee to the Governing Board.<br><br>The committee asked that 1.7 be removed from the terms of reference and subject to this it was<br>**Resolved** to recommend the audit committees terms of reference to the Governing Board. |
| 9 | **AUDIT RECOMMENDATIONS TRACKER**<br><br>The EDCS advised that in relation to the one red item, which referred to the report on furlough funding, a report would be brought to the December Board meeting. The chair advised that there was an item on curriculum planning missing from the tracker schedule and asked that this be added back in<br>**Action: EDCS.**<br><br>The EDCS took the committee through the rest of the audit recommendations Governors asked when they would receive the COSH testing schedule and were advised in December.<br>**Action: EDCS.** |
| 10 | **RISK REGISTER**<br><br>The ECDS advised that the risk register had now had a risk added to it regarding industrial relations and explained the reasons for this. The ECDS was asked to explain how the mitigated risk scores had been arrived at and the executive provided committee with further information regarding this issue. Governors commented that in some cases the controls also mitigated the impact and the ECDs advised that this was a matter for discussion and development at the risk management committee. and the committee discussed at length the operational uses of the risk register. Governors were |

| | |
|---|---|
| | advised that the new executive office would be pulling together a risk action plan which would come to committee. |
| 11 | **RISK MANAGEMENT ANNUAL REPORT**<br><br>The committee were advised of the process being taken to review and update the risk management strategy. The committee were advised that the RM report set out the work that had been done in the college over the past year regarding improvements to the college's risk management processes. The committee agreed there had been significant improvement but questioned whether some matters had been completed for example risk assurance mapping. Governors felt that the direction of travel was right but reflected that more work would be required to embed the RM culture across the college. It was confirmed that further work would be undertaken at the Board awayday in January, with the support of the IAS. |
| 12 | **STATEMENT OF REPORTED INCIDENTS OF WHISTLEBLOWING AND FRAUD**<br><br>The EDCS commented that the college did not have a register of fraud and whistleblowing. The executive confirmed that there were no incidents of fraud or whistleblowing in the previous year. |
| 13 | **ANNUAL REVIEW OF WHISTLEBLOWING POLICY**<br><br>The Head of Governance advised the committee of the steps being taken to review the whistleblowing policy and it was agreed that this would be sent out to the committee to deal with by way of email and written resolution for recommendation to the Governing Board. Governors asked that they be provided with the draft policy once this had been discussed with solicitors.<br>**Action: Head of Governance** |
| 14 | **GIFTS AND HOSPITALITY RETURN 20/21 & ANNUAL REVIEW OF GIFTS & HOSPITALITY POLICY**<br><br>The committee were advised that this was being further reviewed by the Head of Finance and Head of Governance and it was agreed that the process being adopted in relation to the whistleblowing policy would also be adopted for this policy.<br><br>**20.59 The internal auditor left the meeting** |
| 15 | **REVIEW OF PERFORMANCE OF INTERNAL AND EXTERNAL AUDITORS** |

| | |
|---|---|
| | The committee chair advised that much of the proforma was for management to complete and it was agreed that the EDCS and Head of Governance would undertake this and then send to committee for consideration.<br>**ACTION: EDCS & Head of Governance**<br><br>The committee then discussed tendering for the financial statement auditors and whether they wished to continue with the current auditors. The Head of Finance advised that the contract provided for an initial period of 3 years, with the option to extend by a further 2 years. The contract was coming to the end of its third year. Following discussion governors requested a paper setting out the reasons for and against continuing with the current auditors so that a recommendation could be made to the Governing Board.<br>**Action: Head of Finance** |
| 16 | **Date of forthcoming meetings**<br>16th March 2022<br>16 June 2022 |
| | **The meeting closed at 21.17** |