

NEW COLLEGE, SWINDON

Minutes of the Audit committee held on 16th October 2018

Present: Alexey Smirnov (Chair), Dennis Bridges, John Dernie, Peter Foskett

With: Carol Kitching – Principal and CEO
Richard Harris – Vice Principal Finance and Resources
Robin Pritchard – Gateway Assure Ltd.
Tracy Scaife – Clerk to the Corporation

816 Appointment of Chair 2018/19 – the meeting receive a nomination in respect of Alexey Smirnov and this was duly seconded. No further nominations were received.

RESOLUTION: that Alexey Smirnov be appointed as Chair of the Audit committee for the 2018/19 academic year until the first meeting of the 2019/20 academic year.

817 Apologies for absence – received from Peter O’Brien.

818 Disclosures of Interest – none received.

819 Minutes of the last meeting held on 20th June 2018 – agreed as a correct record.

820 Matters arising from the minutes of the last meeting held on 20th June 2018 – raised as follows:

(a) 808 Facilities and Security – concerns were raised that adequate provisions have been made for sickness cover of the internal security staff and the licensing and insurance cover relating to this. Anyone carrying out security duties must be licensed and be covered by insurance.

ACTION: *NH to advise on licensing and insurance for security cover staff.*

821 Risk Management update – report by Vice Principal Finance and Resources received and noted.

The ESFA Funding Assurance Review is still ongoing but will have to be completed in the next 2 days as the final claim for 2017/18 funding has to be submitted by Thursday this week. The Review has been extremely intensive, thorough and robust and has been quite a drain on staff time. Nothing major has arisen, only some very minor, non-material points. The review process has been forensic and in some areas overly-pedantic. It is also felt that it has not been adequately staffed with only 1 senior auditor and 2 junior auditors throughout. This feedback will be given to the ESFA.

Risks surrounding the Institute of Technology bid were also noted. A full report on this will be presented to the Corporation meeting later in the day.

Risks to the college arising from Brexit were also discussed. It was noted that the college is currently not involved with any projects that rely on EU funding.

822 Internal Audit Strategic and Annual Plan – report by Gateway Assure Ltd. received and noted.

Total days for the year will be 30 split equally across 2 blocks. Block 1 will include procurement and value for money (3 days), safeguarding (3 days), health and safety (3 days) and resource utilisation – staffing (4 days), follow up (1 day) and management (1 day). Block 2 will include business continuity (3 days), GDPR (2 days), student systems (4 days), advanced learner loans/bursaries (3 days), follow up (1 day) and management (2 days).

With regard to strategic planning it was felt that this would be better left until 2019/20 when the strategic plan has been reviewed.

823 ESFA Funding Assurance Review – as discussed earlier, there is currently no report to receive.

824 Audit Action List – received and noted.

RESOLUTION: that the following items be removed from the Audit Action List:

4/18.1 Key Financial controls
5/18.1 Marketing
5/18.2 Marketing
5/18.3 Marketing
6/18.1 Learner Voice
6/18.2a Learner Voice
6/18.3 Learner Voice

With regard to 6/18.1 Learner Voice it was agreed that this should be included as a risk as it is an ongoing process and it should be a permanent agenda item for the Critical Systems Group.

ACTION: RH to remove items from Audit Action List as above. RH to add standing item to agenda for Critical Systems Group re. action 6/18.1

825 Performance Indicators for Internal and External Auditors – report by Vice Principal Finance and Resources received and noted.

It was noted that planning for year-end within the Finance Team needs to be tighter to ensure a swift close down so that time can be spent focussing on the year ahead rather than the past.

(Robin Pritchard was asked to leave the meeting at this point)

826 Appointment of Internal and External Auditors- report by Vice Principal Finance and Resources received and noted.

Contracts for both the Internal and External Auditors end at the end of July 2019. Concerns were raised with regard to reappointing the existing audit firms for a further contract period. This is not considered to be best practice. A draft timeline for the process of appointing new auditors for both internal and external audit was discussed as follows:

- 22 Oct – RH informs Gateway and Mazars that New College is tendering for separate Internal and External audit provision from 1 Aug 2019 onwards
- 23 Oct – MD starts preparation of tender specification and documents
- 13 Nov – Principalship meeting considers above

- 29 Nov – Audit Committee considers above (MD to present)
- 1 Dec – Tender advertised
- 31 Jan – Tender closes
- w/c 4 Feb – assessment and short-listing
- w/c 11 Feb – shortlisted auditors invited to attend and present to panel
- 18 Feb – decision on internal and external auditors followed by 10 day standstill period
- 1 Mar - appointment

RESOLUTION: that the timeline detailed above be agreed for the appointment of internal and external auditors.