

## Minutes of Virtual Audit Committee Meeting held at 5pm on 19 May 2020

Present: Stephen Burke, Katie Danvers Hewitt, Mark Pembleton (Chair) & John Royston-Ford

Apologies: None

In Attendance: Richard Bott Mazars  
Martin Doel Interim Chair of Corporation  
John Owen Interim Chief Finance Officer  
Paola Schweitzer Clerk to the Corporation  
Karen Shaw Southern Internal Audit Partnership  
Penny Wycherley Interim Principal

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### M i n u t e s

#### 1 – Standing Items

**928 Apologies for Absence**

There were no apologies for absence.

**929 Membership**

The Chair welcomed Penny and Martin to the meeting.

**930 Declarations of Interest**

There were no declarations of interest.

**931 Minutes**

The minutes of the meeting held on 03 March 2020 were **Agreed** as a correct record and will be signed by the Chair.

**932 Matters Arising**

**Minute 930: Review of Outstanding Audit Recommendations:** Paola stated that the cyber security JISC audit had not yet taken place.

#### 2 – Matters for Discussion & Decision

**933 Audit Committee’s Annual Report to the Corporation 2018/19**

Paola presented the Committee’s annual report to Corporation 2018/19 (paper 2548/20/A) reminding members that the Committee was required to advise Corporation and the Principal as Accounting Officer on the adequacy and effectiveness of the College’s risk management, internal control and governance systems. She noted that a number of changes

had been made to the report since it had last been tabled (but not considered) at the Audit Committee meeting in December 2019.

Mindful that the report belonged to the Committee and that he was not a member, Martin proposed and members **Agreed** to include the word *current* to the penultimate sentence so that it read ‘*In conclusion, the reports in the year from the Internal Audit Service give support to the Audit Committee’s continuing confidence in the adequacy and effectiveness of the College’s current audit arrangements, risk management and control and its processes for securing economy, efficiency and effectiveness (value for money).*’ Karen had not had sight of the updated report and it was **Agreed** that she would have the opportunity to review it prior to its submission to Corporation. Penny had previously proposed that the internal auditors receive all Board meeting minutes (confidential and non-confidential) as well as whistleblowing reports. Karen concurred, stating that internal auditors needed to be made aware of any issues of fraud and irregularity and that minutes and confidential reports would give wider sight of College developments. Members **Agreed** the Audit Committee’s Annual Report to the Corporation 2018/19, subject to amendments from Southern Internal Audit Partnership.

*Addendum to the meeting: Karen subsequently suggested a number of minor amendments to the report. These amendments were agreed by Mark and integrated into the final report.*

#### **934 Risk Management Process & Risk Register**

Penny presented the updated risk register (paper 2652/20/A), noting that it identified 12 updated headline risks (in line with the Board’s previously expressed wish to see a finite number of risks), under which sat a number of other registers. Penny noted that the more fluid risks were also highlighted in her report to the Board. Martin reminded members that individual Committees considered the specific risks in their subject areas. In response to the risk of insolvency raised at the previous joint Audit Committee and Finance & Estates Committee meeting, Penny noted that whilst it was a risk, the likelihood of it materialising was very low and it therefore did not feature in the risk register. Members **Noted** the Risk Management Process & Risk Register.

#### **935 Internal Audit Report Update (paper 2653/20/A)**

Karen stated that at its last meeting in March, the Committee had agreed a revised 2019/20 internal audit plan but due to Covid-19 it had not been possible to start this work. Southern Internal Audit Partnership had not therefore been able to undertake any audits during the academic year. However a scoping meeting had taken place on 14 May and it was hoped that the work scheduled for March (HR processes and Estates) would shortly be carried out remotely. Karen noted that it was unlikely that summer term work (cash collection and purchase order processes) could be carried out due to Covid-19. Penny stated that the biggest risk was poor learner recruitment and therefore suggested that this area be audited to ensure that the process was efficient and user friendly. IT had been critically important in the last few months and was likely to remain so as online delivery increased and Penny therefore suggested that this be the subject of an internal audit. Southern Internal Audit Partnership would share its document exploring the risks associated with Covid-19 with Penny and John. The Committee **Noted** the Internal Audit Report Update and **Agreed** that poor learner recruitment and IT be included in the internal audit plan.

#### **Minute 936 was confidential.**

The meeting ended at 6.10pm.