

AUDIT & RISK COMMITTEE MEETING

CONFIRMED MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON
FRIDAY 30 NOVEMBER 2018 AT 0900 IN THETFORD BUILDING BOARD ROOM,
CITY COLLEGE NORWICH, IPSWICH ROAD, NORWICH NR2 2LJ

Members Present:

Bree Sherwood (Chair), Noel Bartram, Jill Lanning

In Attendance:

Martin Colbourne (NES Finance Director), Paul Goddard (Scrutton Bland), Corrienne Peasgood (CCN Principal), Liandi Venter (KPMG), Stephanie Beavis (KPMG), Suki Gosal (Minute Clerk and PA to the Principal)

1. Apologies for Absence

Apologies were received from Jerry White (Deputy Principal).

2. Declaration of Interests

There were no new declarations at the meeting.

3. Minutes of the Meeting held on 19 June 2018

The minutes of the meeting held on 19 June 2018 were approved and will be signed by the Chair.

4. Confidential minutes of the meeting held on 19 June 2018

The confidential minutes of the meeting held on 19 June 2018 were approved and will be signed by the Chair.

5. Matters Arising from the Previous Minutes

CCN A&R 3 Action 1 – Scrutton Bland to amend dates on page 1 of the 'IAS progress report for 2017/18' for Strategic Planning and Follow-Up reports.
Action complete.

CCN A&R 3 Action 2 – Scrutton Bland to investigate including GDPR Compliance to the IAS schedule for 2018/19. *Action complete.*

CCN A&R 3 Action 3 – CJ to finalise the committee self-assessment and present to Board on 10 July 2018. *Action complete.*

6. Section A

6.1 Draft Annual Report & Financial Statements 2017/18

The Draft Annual Report & Financial Statements for 2017/18 were presented for discussion and MC noted that there was some minor amends which needed to be complete in readiness for the Board meeting. MC went through each sections highlighted that it was not dissimilar to last years format. Items to note were as follows:

- BS asked that the information on the merger should appear earlier in the introduction.

- MC noted that he was working with JW on the headline numbers.
- BS asked that we explain why cash has decreased by £171k.
- JL asked that the number of DfE reviews should be added as this will impact.
- SB suggested we add our collaborative work with NEACO and Opportunity Area in the curriculum sections.
- NB commented that we do a lot of stakeholder relationship work and this report does not accurately reflect this to which JL agreed.
- MC to check the definitions on TU facilities time with HB.
- J asked that we check the Governor compliancy figures were correct as she was unsure if the HE representative had in actual fact attended 5 governor meetings.
- BS asked that all members read the regulatory statement before Board.
- JL noted that ABC Awards had been renamed to SEG Awards (Skills and Education Group)
- SB will liaise with MC in relation to the pension notes.

6.2 FSA Letter of Representation

The FSA Letter of Representation was presented for discussion and approved by all.

6.3 FSA Management Letter

The FSA Management Letter was presented for discussion and the following was highlighted:

- Financial statements will be ready in the next few days.
- SB stated that the EFSA have always agreed that there is no need to audit student records.
- Pension liabilities; MC and SB will work closely on this.
- BS asked that the significant risks and account combinations be looked at with regards to the high risk journals.
- Good work carried out on reducing debt.
- Regularity; BS asked that the wording be changed to focus on the fact that management actually do so there should be no assumptions.
- Discussion took place around staff claiming expenses, BS asked how necessary it was to review everyone's expenses annually. SB stated that there is always a risk in expenses around approving and reviewing. CP informed all that the immediate manager checks, as does the Head of Area and Finance.

6.4 Audit Committee Report 2017/18

The Audit Committee Report 2017/18 was approved.

6.5 Final IAS Annual Report 2017/18

The Final IAS Annual Report for 2017/18 was reviewed and it was noted that there were 4 green opinions.

6.6 Final IAS Audit Plan 2018/19

The Final IAS Audit Plan for 2018/19 was noted.

6.7 CNN Risk & Assurance Progress Report

The CNN Risk and Assurance Progress Report was reviewed and the following was highlighted:

- The ALS was in last years audit plan but this will take place in February 2019.
- GDPR – the HR audit gave consideration to data controls, positive work with NES.
- A line will be added in each report to state if there are any GDPR concerns.

6.8 Funding Assurance Audit

The Funding Assurance Audit was noted and the following highlighted:

- CP stated that we have not been selected for a full EFSA audit.

6.9 Risk Management Update

CP demonstrated the risk register to all and highlighted:

- Quarter of the risks are mitigating circumstances.
- One new risk has been added.
- NB commended the system and suggested marketing this. CP informed all that interest for this software had been received from the UEA.
- JL highlighted that this would be good to demonstrate to the Board.
- CP highlighted the uncertainty around the UTC and Norfolk Academies and informed all that discussions are continuing to take place with herself, MC, Sue Guest and Andrew Barnes.
- Archived failure of telephone system, and proposal to remove reduce funding for 16-18 provision.
- Other risks were highlighted.
- CP informed all that risks were monitored and reviewed at the weekly Executive meetings and NES MT meetings.

6.10 Annual Accountability Return to Office for Students

The Annual Accountability Return to Office for Students needs to be signed and returned by 3rd December 2018. JL, BS and NB informed all that they had no concerns.

6.11 Internal Audit Reports

Strong progress made.

Reports are discussed and reviewed at Curriculum and Standards committee. The strategy is understood and delivered and has a strong level of assurance BS commended all on their hard work.

SB, LV and PG left at 1040.

7. Section B

7.1 Assessment of Auditors Performance Indicators for 2017/18

The following was highlighted for KPMG:

- MC and CP have discussed the range of scoring and have considered it as good.
- Unsure how much they rely on Scrutton Bland.
- Adhered to their timetables
- BS stated that they need to be more specific on their recommendations.
- MC stated that there was good collaboration for Paston accounting.
- Good relationships.
- Key documents were produced in a timely manner
- FE benchmarking report is good.
- Audit felt remote; communication needs to be in person rather than on emails and BS
- stated that this should be feedback to them.

The following was highlighted for Scrutton Bland:

- Year 4 of their appointment.
- Provide an outstanding service, the scope is received and we schedule meetings accordingly.
- PG is transitioning into a senior role; the most recent audit for Curriculum Planning and Development was carried out by Nicola Meadows where there was zero value added. BS stated that this should be fed back to Scrutton Bland.

7.2 Approval of Auditors Performance Indicators for 2017/18

8. Section C

There were no items in section C for this meeting.

9. Other Urgent Business

No urgent business declared at the meeting.

10. Principal's Summary for Board

11. Confidentiality

There were no confidential items discussed at the meeting

12. Date of Next Meeting

Tuesday 5th March 2019 at 9.00am, Thetford Building, City College Norwich.

All business having been concluded, the meeting finished at 11.30am

CHAIR:

..... **DATE:**