



# TRURO AND PENWITH COLLEGE CORPORATION



## Audit Committee

**Minutes** of the Audit Committee held on Tuesday 25 February 2020 at Truro College.

Members: Mrs L Batchelor, Mrs S Sanderson, Ms D Skinnard (in the Chair) and Mr A Wheeldon

Also Present: Mrs L Bradley (Director of Quality), Mr S Cryer (Director of Finance), Mrs C Mewton (Director of Studies), Mr D Haughton (Finance Officer), Mrs N Hughes (Bishop Fleming, External Auditor), Mr V Shutler (TIAA, Internal Auditor), Mr A Stittle (Director of Partnerships), Mr M Tucker (Director of Penwith College) and Mrs A Winter (Clerk to the Corporation)

Apologies: Mr K Wilson  
Also, Ms J Cashmore (Director of Operations) and Mr D Walrond (Principal)

Item	Decision	Action
20/01	<p><b>Minutes</b></p> <p>The Minutes of the meeting held on 19 November 2019 were <b>APPROVED</b> and signed as a correct record.</p>	
20/02	<p><b>Matters Arising</b></p> <p>There were no matters that would not be raised on the agenda.</p>	
20/03	<p><b>Internal Audit Report: Block 1</b></p> <p>The Committee received the report of the two audit reviews completed in December 2019. The Auditor summarised the scope of each review, the issues arising and assessment, as follows:</p> <ul style="list-style-type: none"> <li>• Transport – Substantial Assurance</li> <li>• Governance: Succession Planning – Substantial Assurance</li> </ul> <p>The Committee was pleased to note that good records, controls and checks were in place with regard to transport.</p> <p>The review produced one recommendation that transport procedures should be documented to ensure clarity about correct processes during the absence of a current member of the team.</p> <p>Also, the auditor suggested that consideration be given to implementing additional checks on minibus fuel usage and fuel costs to improve operational effectiveness.</p> <p>The Committee considered the audit of Governance: Succession Planning and noted the pro-active approach to governor succession planning, led by the Search and Governance Committee.</p>	<p>Director of Operations to take forward</p>

	<p>Although governor appointments were effectively monitored and succession plans regularly reviewed, a documented policy was not in place. The auditor suggested that consideration be given to the development of a written Succession Policy to formalise processes.</p> <p>The Committee was satisfied with the management responses to the issues raised.</p>	<p>Search &amp; Governance Committee to consider</p>
<p><b>20/04</b></p>	<p><b>Internal Audit Report: Block 2</b></p> <p>The Committee received the report of the four audit reviews completed in January 2020. The Auditor summarised the scope of each review, explained the issues arising and the assessment, as follows:</p> <ul style="list-style-type: none"> <li>• Equality and Diversity – Substantial Assurance</li> <li>• ICT: Internet and email – Substantial Assurance</li> <li>• Key Financial Controls – Substantial Assurance</li> <li>• Fraud Risk – Reasonable Assurance</li> </ul> <p>The Committee discussed the findings of each review.</p> <p>The Auditor concluded that effective and pro-active equality and diversity practices were in place which had been endorsed by external bodies, including the National Centre for Diversity.</p> <p>The review of the IT environment, marketing and publicity through the website and employee email and internet usage confirmed that good arrangements were in place and no concerns were identified.</p> <p>Key financial controls were found to be in order with effective checks in place.</p> <p>As part of the review of fraud risks, an inventory check of equipment purchases at Penwith was carried out. Of the 32 purchases, 31 were properly accounted for but three drills acquired for the Carpentry workshop could not be located and this issue had resulted in three recommendations: to investigate the missing equipment, to tighten up procedures and carry out an independent check of assets purchased for Carpentry since 2017.</p> <p>Governors asked about the hosting of the College website by an external company, Nixon Design, and the arrangements if the host company experienced IT problems. The Committee requested that the extent of the back up agreed in the contract with Nixon Design should be reviewed.</p> <p>The Committee was satisfied that appropriate and timely management action was being taken to address the Auditor's recommendations.</p>	<p>SMT/Publicity Officer to review contract</p>
<p><b>20/05</b></p>	<p><b>External Audit Plan for Year Ending July 2020</b></p> <p>The Committee received an Audit Plan providing an overview of the nature, scope and timetable for the 2019/20 external audit work.</p>	

	<p>The Plan had been drawn up in consultation with management to identify key audit risks and clarify arrangements. The processes, including the use of data analytics checks, which were explained.</p> <p>Governors and SMT welcomed the Audit Plan which would help to ensure a smooth audit process.</p>	
<b>20/06</b>	<p><b>ESFA Financial Health Grading</b></p> <p>The Committee was pleased to <b>NOTE</b> that confirmation had been received from the ESFA that following a review of the audited financial statements and finance record the College's financial health had been graded 'Good' for 2018/19 and 2019/20.</p>	
<b>20/07</b>	<p><b>Convergence Project Audit Reports</b></p> <p>The Committee received a brief summary of the Convergence project which had been audited by the Education and Skills Funding Agency (ESFA) auditors during the past 12 months. The College was working in partnership with SERCO as the lead organisation and no issues had been identified in relation to the College's role.</p> <p>In response to questions, Governors noted that the audits focused on funding and did not include an assessment of the effectiveness of the back-to-work training provided by the project, although this could be reviewed at a later stage.</p>	
<b>20/08</b>	<p><b>Any Other Business</b></p> <p><b>08.01 College Accounting Officer</b></p> <p>The Committee <b>APPROVED</b> a recommendation from the Corporation Chair to appoint Martin Tucker as the temporary Accounting Officer during the absence of the Principal, David Walrond, from 27 February 2020.</p>	Clerk to notify ESFA
<b>20/09</b>	<p><b>Date of Next Meeting</b></p> <p>The Committee would next meet at 5.00 pm on Tuesday 16 June 2020 at Truro College.</p>	ALL to note
<b>20/10</b>	<p><b>Confirmation of Meeting Dates in 2020/21</b></p> <p>The Committee would meet on:</p> <ul style="list-style-type: none"> <li>• 24 November 2020</li> <li>• 23 February 2021</li> <li>• 8 June 2021</li> </ul>	ALL to note