

## Minutes of the Audit Committee Meeting

Held on Monday 19 April 2021 at 5.30pm

via Microsoft Teams

**Audit Committee Members:** Daniel Maycock (Chair), Ian Brown, Pat Flaherty (part) and David Tomaney

**In Attendance:** John Abbott (CEO), Paul Lonsdale (Chief Finance Officer),  
Emma Fielding (Principal), David Griffin (Chair of the Board)

**Clerk:** Bettina Walker

Items denoted with \* had a paper previously circulated and ^ was a presentation

Action

### MINUTES

#### AUD 1. MEMBERSHIP UPDATE AND APOLOGIES FOR ABSENCE

25 The Chair welcomed Ian Brown and David Tomaney as new members of the Committee. **Apologies** were received from Nicki Reid. Pat Flaherty left after item 8.

#### AUD 2. DECLARATIONS OF INTEREST

26 Declarations of interest were made: Pat Flaherty reported that the College had formally written to him as Chief Executive of Somerset County Council to inform him of the intention to academise as part of its community consultation. Pat reported that he had passed the handling of replies to colleagues and was not actively involved.

John Abbott was member of the Richard Huish Trust. David Griffin reported that he had resigned as a Director of the Richard Huish Trust as this was a conflict of interest in his capacity of Chair of the Corporation of Richard Huish College. However, he remained an Ex-officio Foundation Member of the Richard Huish Trust.

#### AUD 3. \*MINUTES AND MATTERS ARISING

27 The Audit Committee meeting on 16 November 2020 had been inquorate and minutes from previous meetings had been carried forward to this quorate meeting for approval..

**RESOLUTION:** The minutes of the Audit Committees held on 8 June 2020, joint meeting with F&GP on 9 November 2020 and 16 November 2020 were agreed as true and accurate records of those meetings.

The Committee noted the matters arising report, the actions that had been completed and those that were on the agenda for this meeting.

#### AUD 4. ACADEMISATION DUE DILIGENCE SCOPE

28 The CEO reminded governors of the history of the Richard Huish Trust, where initially Richard Huish College had sponsored the Taunton Academy as a Single Academy Trust and had then formed a Multi Academy Trust with more school academies joining. The ethos and values of the Richard Huish Trust were based on those of Richard Huish College, and the main purpose for the College becoming an Academy as part of the Trust was to safeguard the Huish legacy, reputation and quality.

The CEO reported that, as part of the academisation process, it was prudent for the College to undertake Due Diligence and quality evaluation on the Richard Huish Trust. The Audit Committee appeared to be the best placed to put together a scope for the Due Diligence. The Committee agreed that a Due Diligence process should take place to understand what the risks and liabilities were for the College and to give the Corporation reassurance before the decision to academise was finally taken.

The Committee discussed the following:

- The risks around the College remaining as it was and doing nothing had been discussed by the Corporation but could be revisited as part of the Due Diligence.
- There were a number of external factors which would influence the College's preferred timetable for academisation, primarily when the College's academy bid would be on the agenda to be reviewed and signed off by the Headteachers' Board and Regional School Commissioner.
- A robust Scheme of Delegation between RHC and RHT as part of the Governance Structure was seen as key to the success of the College operating as part of the Trust.
- The students should not be disadvantaged by the College becoming an Academy: it was thought that the move would in fact be of advantage to students who would potentially have access to more opportunities for a broader curriculum and enrichment.
- A pro and cons document had previously been prepared for the Corporation, and the CEO would review the cons document as a basis for areas to be looked at as part of the Due Diligence.
- Three key senior staff members, namely the Chief Executive Officer, The Chief Finance Officer and Chief People Officer, and were deemed too close to both organisations to give impartial advice. The Committee recommended that Bishop Fleming undertake the financial due diligence, and that external people were employed to undertake the other areas in the scope to protect the interest of the College Corporation.

## RESOLUTION

The Committee agreed that the main areas of Due Diligence to look at and put in the scope were:

- **Liabilities and Risks** for College: staff, employment and legal considerations. What was the College's exposure?
- **Curriculum Offer and Standards:** performance and position of the schools within RHT and any possible impacts on the student experience
- **Finances:** the financial risks to the College

These areas would be worked on to be reviewed at an extraordinary meeting of the Committee to take place in late May, to which representatives from the Finance & General Purposes and the Academic Planning and Quality committees would be invited to attend and contribute.

The aim was for the Due Diligence to then take place through the consideration of evidence to be presented to the June meeting of the Committee.

## **5. RISK MONITORING**

### **AUD 5.1 \*Strategic Risk Register Update 2020-2021**

**29**

The CFO reported that the Risk Register had been reviewed during March, and that there had been an update on the residual risk scores. The Committee noted that risk scores had either improved or stayed the same apart from the risk of student outcomes declining, for which the risk score had slightly increased.

The Principal and CEO reported that the main reasons for the adjustment of the risk score were:

- The Teacher Assessed Grades (TAGs) being put in place nationally to replace exams for summer 2021 had the risk that there may be some adverse reaction from parents and students on how these were being awarded. The College was putting processes in place to ensure that grades awarded would be as fair as possible, but there were likely to be some challenges to the grades awarded.
- Some historic results for apprenticeships had been found which were incorrect and which could have an effect on some learner outcomes.

### **AUD 5.2 \*Risk Reports from Committees**

**30**

The Clerk reported that each Committee had reviewed the risks allocated to it for monitoring. The Committee noted the report and that the comments were quite short. This was seen as a reflection of the time spent on the specific risk review agenda item. However, the Committee noted that many of the items discussed by committees more generally were based on mitigating risks.

The Committee considered that some guidance for Committee Chairs might be useful in order that more risk-based discussions were captured in reports in the future.

### **AUD 5.3 ^Risk Deep Dive Presentation on Risk 09**

**31**

The CEO made a presentation on how the College ensured that environmental factors were responded to in the College's strategic planning. There were two parts to the risk: the strategy through and post Covid, and the more normal strategic activities supported by operational activities.

The Senior Management Team (SMT) had continued to review strategy on a regular basis and to pro-actively pursue the strategy despite the pandemic. The Strategic Development Plan was now in its final year, and the strategic drivers were being reviewed. An appendix would be added describing how the College had responded to the pandemic.

The CEO described how the SMT gathered formal and informal data to inform strategic thinking and changing priorities through engagement and networking with a variety of partners.

The College operated in a highly politicised sector with an almost constant shifting environment. The current academisation plan provided a good example of the College's responsiveness to the changing environment. The increase in senior management capacity in the past twelve months and their activity around strategy suggested that the likelihood of not responding to environmental factors had been reduced, and hence the review downwards of the overall residual risk score.

The Committee was reassured by the responsiveness of the College to external factors and was happy to endorse the reduction in the residual score for this risk.

### **AUD 5.4 \*RSM Briefing on Risk Appetite**

**32**

The Committee noted the Briefing on Risk Appetite from RSM and considered that this would be a useful document for discussion once the Audit Committee under the new Academy Structure was in place.

## **6. ASSURANCE REPORT 2020-2021**

**AUD 33 6.1 \*Apprenticeship ESFA Funding Assurance**  
*The discussion for item 6.1 was kept as confidential*

### **AUD 34 6.2 \*Safer Recruitment and Single Central Register**

The Committee was pleased to see the good progress being made since the original review of Safer Recruitment: HR protocols were now in place to ensure compliance against Safer Recruitment principles. The Chief People Officer had reported in detail to the Huish People Committee.

The few actions remaining included the progress for Safer Recruitment and Single Central Register for Governors. The Clerk reported that progress was being made and processes put in place which were being piloted and used with newly recruited governors. The Clerk and CPeO were looking at implementing a risk-based approach for records of longer serving governors.

### **AUD 35 6.3 Website Accessibility Compliance Review**

The Committee noted that accessibility regulations came into force for public sector bodies in 2018 and that the Government Digital Service (GDS) were the regulatory body with regard to website accessibility regulations.

In November 2020 the College was one of the first colleges nationally selected at random by GDS for checks on compliance against the requirements of the accessibility legislation. GDS had found that operationally, the Huish website was not compliant and that the Accessibility Statement was also not compliant, giving then College 12 weeks' notice to address the issues. The Principal clarified that it was the Action Plan that needed to be completed within the 12 week period, not the actions themselves. The GDS had now confirmed that the College was compliant.

Taking advice and guidance from JISC and their legal advisor, the website was tested by the Marketing Team which provided the detail in relation to Issues still to be addressed which were captured in the Accessibility Statement making the statement compliant. The Accessibility statement listed the issues still to be addressed and the timescales by which the College would have fixed them.

The web design company who built [www.huish.ac.uk](http://www.huish.ac.uk) for the college had provided a quote for the work to fix the issues, and the Committee was pleased to note that GDS had subsequently confirmed that the Accessibility Statement was now compliant.

### **AUD 36 6.4 \*Assurance Plan 2020-2021 Update**

The Committee noted that three out of the five Assurance Reviews had taken place. The CFO reported that a scope for the Review of Cyber Security was being worked on. The IT Department were putting a number of measures in place, and the plan was to invite JISC to undertake a penetration test. The Committee noted that this work may not be completed for reporting by the June meeting of the Audit Committee.

The Principal reported that Governors had been informed that the College would be subject to a pilot Ofsted Inspection to take place in the week beginning 17 May 2021 and the Committee noted that some actions may come out of the feedback, and if so, would be reported to the Committee.

**AUD 7. \*AUDIT ACTIONS TRACKING DATABASE**

**37**

The Clerk presented a draft Actions Tracking spreadsheet for the tracking of progress in implementing recommendations made in Audit/Assurance Reports. The Committee noted the sample provided and agreed that this would enable it to monitor progress and to ensure that recommendations were completed.

The actions to be tracked would normally be added after the report had been reviewed by the Audit Committee, and the actions from the reports presented at today’s meeting would be added with progress on actions available for the Committee to review at the June meeting.

**AUD 8. RHC AUDIT STRATEGY FOR 2020-2021**

**38**

The Committee discussed what the strategy for the audit of Financial Statements for 2020/21 by Bishop Fleming might be in view of the College’s aim to academise by 1 October 2021. The CFO reported that there was a case for lengthening the financial year by a couple of months, however, if the point of academisation was delayed beyond October, it was likely that some accounts for a few months of 2021/22 might have to be dealt with separately.

Bishop Fleming would be invited to present their strategy for the 2020/21 Financial Year and Regularity Audit to the June meeting of the Committee

**AUD 9. POST-16 AUDIT CODE OF PRACTICE (ACOP) – April 2021**

**39**

The Committee noted the publication of the Audit Code of Practice for 2020/21, and that this would have to be adhered to when completing the Financial Statements and Audit for the year ended 31 July 2021. A number of changes when compared to previous codes were noted, and the Finance Office team were checking compliance for the financial area, and the Clerk for matters related to the Audit Committee.

**AUD 10. FRAUD REPORTING**

**40**

The CFO had no fraud issues to report.

**AUD 11. ANY OTHER BUSINESS AND DATES OF FUTURE MEETINGS**

**41**

The dates of the next meeting was noted as Monday 22 June 2021. Following the discussion on Due Diligence, the Clerk would arrange an extraordinary meeting towards the end of May 2021

With no further business the meeting concluded at 7.40pm.

The minutes were agreed and signed.

Chair.....Date.....