



Audit Committee

Minutes of the audit committee meeting held on Wednesday 14th March 2018 commencing at 8.30am in the Principal's Office at the Easton Campus

Present

D Redhead	DR	Independent Member
P Richardson	PR	Independent Member
H Rumsey	HR	External Member
R Sheasby	RS	Independent Member
P Thirkettle	PT	Independent Member
J Whyman	JW	Independent Member and Chair

In Attendance

S Abbas	SA	RSM
J Abreu	JA	HR Administrator
J Cook	JC	Interim Vice Principal - Finance
J Pease	JP	Head of HR
R Robson	RR	Director of Governance
J Townsend	JT	Principal

- Welcome and Apologies for Absence**
JW welcomed JC to his first Audit meeting. No apologies were received.
- Declaration of Interest**
D Redhead - Tex Holdings Ltd
No other declarations of interest were received in relation to items on this Agenda.
- Timing of the Agenda and Other Urgent Business**
No changes or notification of urgent AOB received
- Minutes of the Previous Meeting**
The Minutes of the Meeting held on 22nd November 2017 were reviewed. Subject to a typographical error on page 9 and an amendment to the wording on page 10.
- Actions and Matters Arising**
The open action tracker was reviewed.

Action 1 New Risk Register on the agenda. Action **agreed** complete

Action 2 JT provided members with an update on the College preparation for the implementation of the new GDPR legislation. She advised that a meeting had taken place with City College Norwich (CCN) and that it was likely that the College would buy into the CCN package that would provide documentation and training. For an additional fee it would also be possible to buy in DPO support. JT confirmed that two other quotes were being obtained. JW asked for confirmation of likely cost and emphasised the risk to the College and need to get this issue resolved correctly within the time limit. JT confirmed this to be in the region of £10k, with the majority of this being upfront one off cost. A member asked if this would include checklists to ensure compliance, JT confirmed that it would. JT confirmed that a steering group had been established and an action plan written. JW noted the need to obtain assurance from any third parties that the College shared data with. SA noted that to date he was only aware of one client receiving a data sharing request, he reflected that this will take time to bed in. JT confirmed that she would provide a further update at the next meeting. SA confirmed that the GDPR audit work was scheduled for April, the report would come to the next meeting. JW asked SA how the College preparation compared from a benchmarking perspective, SA confirmed that there was a wide variation of readiness across the sector. He confirmed that as the College had a steering group and an action plan it was ahead of many. He advised that RSM would review policies, procedures and training within the GDPR review.
Action **agreed** complete.
[Action – further update on progress to the next meeting]

Action 3 Jayne Pease in attendance at the meeting as Andy Daniels is no longer employed at the College. Action **agreed** complete

Action 4 Amendments required to the Annual Report were made prior to presentation at Corporation. Action **agreed** complete

Action 5 Report included in Item 6. Action **agreed** complete.

Action 6 Amendments made prior to presentation at Corporation. Action **agreed** complete.

6 Audit Action

JC noted that all actions had been carried over from the previous meeting due to the concerns of the Committee in the disparity between the reported completeness of actions and the accompanying narrative. JW noted that the Committee needed context and reassurance on occasions where it was not clear from the narrative that the action should be regarded as complete.

JC noted changes since the last report; the addition of the HE action and the

change to the reference to the role not individual in respect of the manager responsible for an action.

Members reviewed each open action in turn:

AUD 15/16.15 Payroll and HR JP confirmed that she was now working with JC to map out what was required and that this would be completed prior to the next meeting.

AUD 16/17.1 Post Enrolment Members expressed thoughts that this action was evolving as the permanent ongoing nature of this work was noted, as was the impact on recruitment

AUD 16/17.2 VLE Was noted that ETAG continue to meet, issue with representation was noted by a member who queried why this was. JT felt this was attributable to time available and staff changes. Members did not feel that the narrative confirmed that the actions were complete. It was agreed that the manager responsible would be available for the next meeting.

[Action – Innovation in Learning Advisor to be at the next meeting]

Discussion took place on the nature of actions; some were obviously completed and could then easily be agreed as completed by the Committee, others evolved into further actions and work and were therefore less easily closed.

FTE – members noted this was passed the timeline for completion. The need for further work to be completed around the establishment list was noted. A member noted that the Corporation needed to receive regular Equality and Diversity reporting. The need for commentary giving greater context and clarity was emphasised by the Committee.

HE marketing – Members highlighted the importance of this issue to the success of the College. JT advised that a deep dive on marketing was due at the next Corporation meeting.

The Committee **agreed** not to close off any actions and to review again at the next meeting.

JW noted that overall the report was missing the data and narrative that the Committee required to have the confidence to close actions stated to be 100% complete and to be reassured that progress was being made as stated in others. The need to contextualise the data given was highlighted.

Members reviewed the HR workforce report. The small number of exit interviews were noted; members and JT confirmed that these should be mandatory. JT confirmed that the Gender Pay Gap Report would be going to the next Corporation meeting for approval prior to publication.

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ESFA Funding Assurance Review

JC advised the Committee that the ESFA undertakes Funding Assurance Reviews annually, colleges are chosen either via random sampling or risk assessment. The College was selected at random. The work involved is onerous and challenging for colleges selected. The ESFA can demand recovery of funds without limited subject to the outcome of the review. JC took members through the College outcome, he noted that the Committee could take comfort from the relatively small resulting reduction in funding. He confirmed that an action plan had been produced and would be shared with the Committee. SA confirmed the outcome to be in line with others he had seen at other colleges.

	<p>[Action – JC to share Funding Review Action Plan with the Committee]</p>
8	<p><u>Internal Audit</u></p>
8.1	<p><u>Progress Report</u></p> <p>SA noted that to date one report had been completed, work due to start on next audit next week. He noted the schedule in the report for the remaining audits to the year end.</p>
8.2	<p><u>Staff Recruitment</u></p> <p>SA presented the report. JP confirmed that the report was helpful, that it had recognised the issues that the HR team were aware of. She confirmed that an action plan was in place and that should result in achieving the implementation of the recommended actions by July. JW noted that the audit report had been commissioned as it was felt that this was an area of vulnerability, he asked if there were sufficient resources in the department to deliver the changes required following the recent departure of the Director of HR. JP reiterated that this could be achieved by July. A member sought clarity on the action to develop skills analysis and succession planning. JP acknowledged that at present this work is not undertaken to the required level for the benefit of the College. SA emphasised that the issues raised were around strategic direction and management information not process.</p> <p>The Report was received and approved by the Committee.</p>
9	<p><u>Risk Management</u></p> <p>JT advised that progress was being made with the implementation of the new system of risk management and training had been delivered by RSM. Problems had centred on individuals completing their risks in isolation. She confirmed that JC would now lead a new Risk Management Group to collectively review, refine and monitor risks. This will commence after Easter. JW sought confirmation that a Strategic Risk Register and Risk Register detailing underlying risks would be available for the June meeting. JT confirmed that they would. A member requested that GDPR be added.</p>
10	<p>[Action – Add GDPR to the risk register]</p> <p><u>AOB</u></p> <p>HR noted that the resolution of the action points raised by the External Auditors' at the last meeting had not been reported on. JC confirmed that he would review and report back to the next meeting.</p> <p>[Action – JC to report to the Committee on the outstanding actions points raised by the External Auditors]</p>
11	<p><u>Date and Time of the meetings in 2018/9</u></p> <p>Wednesday 13th June 2018 9.30am at Otley College</p> <p>The meeting was closed by the Chair at 10.08am</p>