



Confirmed Minutes

Present: Mr A Nelson (Chair), Mr N Uppal, Mr K Fleming and Mr G Wright

In attendance: Ms J Pryce, Mr A McCulloch (Tiaa)

Clerk: Mrs C Coupland

1. Apologies for Absence/ Declaration of Interest

Apologies were received from Ms H Haigh and Mr K Webb.

There were no conflicts of interest declared.

2. Minutes from Meeting held on 26th March 2019

Resolved:

- That these be accepted as a correct record, subject to the two minor amendments.

3. Matters arising

IT Disaster Recovery and IT Business Continuity Plans:

The Clerk confirmed that the IT Disaster Recovery and IT Business Continuity Plans have since been amended in light of identified typographical errors.

Internal Audit Reports:

Appraisal Review of Marketing (March 2019):

The Committee noted that it had been agreed at the last meeting for the Senior Leadership Team to consider the benefits of extending the remit of recommendation on effectiveness of marketing to include other non-enrolled groups of student's not just new starters. Ms Pryce confirmed that conversations continue amongst college leaders on how to best collate meaningful stakeholder data. The appraisal Review of marketing was to be again revisited at tonight's meeting under 'any other business'.

Follow Up Review (March 2019):

Ms Pryce advised members that an update on progress made on addressing the outstanding recommendations is to be provided to the F&R committee on 24th June 2019. However Ms Pryce explained that it was evident from the audit tracker (to be considered under agenda item 5) that good progress is being made. In addition, Ms Pryce provided a report to the committee to demonstrate that appropriate procedures are available and accessible to more than one staff member to ensure continuity of key business processes to manage succession planning as well as unexpected staff replacement. The committee welcomed this information.

Risk Management Policy:

The committee recalled that the Corporation had been informed at its last meeting in April 2019 that the Risk Management Policy had been subject to biennial review.

BAF Assurance Review: Failure to effectively manage General Data Protection Regulation:

To be addressed under agenda item 4.

Audit Providers: Reserved Item:

The Clerk confirmed that both audit firms (internal and external) are agreeable to the Corporation's recommendations to extend their current audit contracts for a further 2 years at the current 5 year point. (up to and including the academic year 2021/22).

The Committee asked for the Clerk to confirm in writing the contract variation agreed and to revisit performance monitoring indicators where appropriate.

4. Internal Audit Reports

Mr McCulloch presented Tiaa's reports to the committee:

Appraisal Review of Student Experience – Pastoral Support and Guidance (June 2019):

The review appraised the College's approach to and delivery of student pastoral support and well-being activities. This included a review of the arrangements for; the tutorial programme, student welfare; health and well-being; careers advice and work experience. The overall assurance assessment assigned was substantial. No recommendations were made. One operational effectiveness matter was raised for consideration.

The committee noted that the audit findings report did not provide any relevant benchmarking data for comparative purposes. Mr McCulloch explained that this particular report was a niche audit; as it was very specific for this college.

General Data Protection Regulation (GDPR) & Data Protection (June 2019)

Mr McCulloch explained that there was a delay in completing the GDPR audit; with the site visit only having taken place on 06-06-19 and 07-06-19. Members were advised that this was due to the lack of availability of the expert auditor for the initial dates planned. It has therefore not been possible to provide the committee with a written report for consideration at tonight's meeting.

Mr McCulloch however provided the committee with a comprehensive verbal update on the remit and findings of the audit.

The committee was advised that the review assessed the college's compliance with the key [EU] GDPR elements of:

- Privacy Impact Assessments;
- Data Subject rights (e.g. Right to be forgotten);
- Data Classification and Asset management;
- Data Security & Breach Management;
- Governance & Consent;
- Data Controllers & Processors.

Mr McCulloch confirmed that the overall assurance assessment assigned was reasonable; concluding that the College has established a framework of appropriate and proportional controls to meet the requirements of the General Data Protection Regulation (GDPR). A small number of updates were required to the policy framework resulting in five recommendations (3 important /priority level 2 and 2 routine/priority level 3). It was noted that the recommendations were yet to

be formally considered or accepted by the Senior Leadership Team for implementation; however Ms Pryce, as operational lead, advised the committee that the actions identified were, in her initial opinion, fair and the level of importance assigned to recommendations proportionate. No Operational Effectiveness Matters were identified.

Mr McCulloch advised the Committee that the audit findings confirm that the college has appropriate and proportionate controls to secure GDPR compliance. Governors welcomed this external independent view as all present were mindful that GDPR will remain to be a whole college responsibility which is difficult for senior staff, with lead responsibility, to secure full compliance from everyone. Members also acknowledged that from the verbal feedback presented Governors can remain confident in the robustness of the existing framework in place with staff.

The Committee welcomed the verbal update from the auditors but were keen to receive the final report to confirm the audit findings reported. It was agreed that once the final report had been agreed and accepted by both the auditors and the senior leadership team; the Clerk was to forward it onto all committee members for formal receipt. This report would then also inform the further assurance review of this specific risk area.

Internal Audit Annual Report:

Mr McCulloch advised the committee that Tiaa's annual report, covering the period up to 31st July 2019, will be presented to the committee at its next meeting. The annual internal audit report summarises the outcomes of all of the reviews that TIAA have carried out on the organisation's framework of governance, risk management and control. This report is designed to assist the Corporation in making its annual governance statement.

Resolved:

- **To receive the reports**
- **To congratulate all staff on the positive audit findings**
- **For the final report confirming the findings from the GDPR audit to be shared with committee members as soon as possible by the Clerk.**

5. Recommendation tracking

The Committee accepted the Audit Recommendation Tracker.

All members agreed that the revised template is helpful and now accompanied with a useful visual summary.

It was noted that all outstanding recommendations are reported to be on track for being completed by the recorded implementation date. Time was taken to consider the merits in holding two (split) follow up audit review sessions during 2019/20. An early follow up audit would allow for the single priority one recommendation, identified within the Ordering Receipt and Payment audit, to be independently signed off by the auditors. This could then be taken into account by the auditors when determining the annual opinion on the college's framework of governance, risk management and control as well as informing the audit committee's annual report for the Corporation.

Resolved:

- **To receive the report**
- **For consideration of 'split' follow up audits to be given by the senior leadership team when proposing the internal audit strategy for 2019/20.**

6. Board Assurance Framework (BAF) : full review.

Ms Pryce presented the proposed key business risks (strategic, financial and operational) as identified by the Senior Leadership Team for 2019/20. The Committee viewed the identified strategic risks as relevant and necessary going forward.

The Committee was satisfied that the major risks impacting the college are to remain subject to timely assurance reviews by the Corporation or its Committees. The timeframe is to again be agreed by the Clerk and the College Risk Management Group.

The Clerk also took this opportunity to confirm that all current strategic risks identified throughout 2018/19 will, by the end of the academic year, have all been subject to assurance reviews at committee or corporation level. The Committee remained satisfied that the Board Assurance Framework, in its entirety continues to provide an adequate and effective framework for risk management.

Resolved:

- **That the report be received.**
- **That the key business risks identified within the colleges risk register be approved,**
- **For the BAF overview for 2019/20 to be shared with all Governors.**

7. Code of Practice and Procedure on Whistleblowing

The Clerk informed the committee that the existing policy reflects good practice initiatives and is currently procedurally compliant with relevant legislation for how the college is to manage and respond to any raised concerns.

The Clerk has proposed no amendments this year to the existing policy. The Clerk confirmed that the policy shall remain available to all via the website and via Moodle (the college's virtual learning environment). The Clerk shall also again email all students and staff members directly advising them as to the purpose of this policy and where to access it.

Resolved:

- **To record that the annual review of the college's Code of practice and procedure on whistleblowing has been undertaken and that no amendments have been deemed necessary.**

8. Post 16 Audit Code of practice 2018 to 2019

The Clerk reminded the Committee that the post-16 audit code of practice for 2018 to 2019 (published February 2019) sets out the Education Skills Funding Agency (ESFA) revised assurance and accountability requirements for post-16 providers for all periods commencing on or after 1 August 2018.

The Post 16 Audit Code of Practice includes updated guidance on the annual assurance arrangements for sixth-form and further education colleges and their auditors. Changes in this version include:

- additional guidance to help post-16 providers, including corporations, prevent and manage fraud, including a new anti-fraud checklist emphasising that corporations must have procedures in place to identify fraud, theft, bribery, corruption, irregularity, or major weakness in accounting or other control frameworks.
- clarifying that the scope of the terms of reference for the regularity assurance engagement, and the reporting accountant's assurance report on regularity, includes all public funds

The Clerk confirmed that the ESFA has published a self-assessment questionnaire which again is a required element of the Regularity Audit. This shall be presented to the Committee for

consideration at its next meeting in September 2019. Members acknowledged that the self - assessment questionnaire has been revised in line of the newly introduced anti-fraud checklist. The Committee therefore acknowledged that responses to the self-assessment may initiate a programme of work for 2019/20 to further underpin the robust anti-corruption policies and procedures already in place. The committee welcomed an update at their next meeting.

The Clerk confirmed that the Audit Committee's current terms of reference continue to reflect the accepted good practice for audit committees of publicly funded organisations as set out within the Post 16 Audit Code of Practice 2018-2019. No amendments were therefore deemed necessary by the Committee.

Resolved:

- **That the report be received**
- **To record that no changes, to the committee's terms of reference, have been determined necessary.**

9. Self-Assessment of Committee Work/Business and Annual Review of Terms of Reference.

The Committee reflected upon its work throughout the academic year and agreed that it is fully covering its delegated responsibilities. No changes were proposed to the Committees terms of reference.

Members also considered how the Committee's work has impacted/ contributed to the overall work of Governing Body during this academic year. Members contributed their opinions for the Clerk to insert into the committee's self-assessment report which will be distributed to all Governors.

Resolved:

- **That the Committee has complied with its terms of reference**

10. Any other Business.

Appraisal Review of Marketing (March 2019):

Ms Pryce reminded members that the final appraisal review of marketing had been presented to the committee in March 2019.

Ms Pryce informed the Committee that Ms Williams (Principal), on hindsight, would now like to challenge the reasonable assurance level assigned to the audit on the priority level of the single recommendation raised. Ms Pryce explained that she has since found that previous Tiaa reports with a single priority 3 recommendation had previously been assigned substantial assurance.

Ms McCulloch agreed that usually one single priority 3 recommendation would not result in reasonable assurance. However on reviewing the audit scope he did question whether the recommendation should indeed be recorded as a level 2 priority.

Post deliberations, it was acknowledged that there has been, on this occasion, an issue with Tiaa's internal quality assurances given that either the level of assurance is inaccurate or the priority level assigned to the accepted recommendation needs to be reviewed. It was agreed for Ms Pryce and Mr McCulloch to discuss and resolve this matter and to report back to the Committee at its next meeting.

Members asked for the minutes to also record that it is the committee's understanding that all presented 'final' audit reports have been read and approved by the operational lead as well as the senior leadership team. Furthermore, all levels of recommendations (1,2 or 3) will also be recorded on the tracker for the Senior Leadership Team and the Committee to track progress on

achieving set implementation dates. Operational effectiveness matters (where applicable) shall continue to be noted by the committee for they are included in the final report but will (as per current practice) not be tracked; for Members of the committee understand that it is for operational staff to consider and implement 'good practice' points as seen fit.

11. Learner Impact Reflection

The impact of discussions and scrutiny of the Committee work in improving the outcomes and experience for all learners was considered and the following agreed:

- **The overall audit opinion provides assurance that the college has an adequate and effective framework for governance, risk management and internal control.**
- **Ensuring that the College is maintaining the quality of learning to maximise the Student Learning, Experience and Outcome.**
- **Ensuring that the college provides a safe environment for students, staff and visitors.**
- **Assurance received that the college remains compliant with regularity and propriety requirements as per the terms and conditions of funding.**
- **Critical review of annual performance ensures that the committee continue to focus, scrutinise, challenge and support the college leadership team in sustaining and improving the outcomes and progress of all students and enable students and staff to learn and work in an outstanding institution**
- **Auditors ensure that the college has an adequate and effective framework for governance, risk management and control and has fulfilled its statutory responsibility for the effectiveness and efficient use of resources, the solvency of the institution and the safeguarding of its assets.**
- **Effective auditing services help governors understand student experience and learning outcomes.**
- **Ensuring that the college remains to be proactive and legally compliant in known and emerging external themes and challenges e.g. GDPR compliance; changes to the audit code of practice (emphasis on anti-corruption measures),**
- **Continued internal scrutiny of the operation of the college by clarifying the explicit lines of accountability to facilitate managed succession planning as well as unexpected staff replacement; provides assurance to Governors that appropriate procedures are available and accessible to more than one staff member to ensure continuity of key business processes.**

12. Determination of confidentiality

That supporting papers for agenda item 6 are determined as confidential given that they relate to the Board Assurance Framework.

14. Date of next meeting: to be confirmed.