

AUDIT COMMITTEE

Part One

DATE: TUESDAY 8th February 2022

PLACE: Meeting held VIA ZOOM

TIME: 6.00pm.

PRESENT:

Dr Andrew Gilchrist	Chair of Audit
Mary Hughes	Governor
Paul Stedman	Governor
Nicholas Woolf	Governor
Rick Parish	External Co-Opted Member of the Audit Committee

IN ATTENDANCE

- Christine Ricketts, Principal & CEO
- Sarah Glasspool, Executive Director of Finance, Resources & People Performance
- Kevin Moloney, TIAA, Internal Auditors 21/22
- Jordi Garcia, Head of LOGIXX (Item 7 Only)
- Natalie Watt (Clerk to the Corporation)

STANDING AGENDA ITEMS	Action By
<p>1. Action in the Event of Fire Meeting held via ZOOM.</p>	
<p>2. Welcome & Apologies for Absence</p> <ul style="list-style-type: none"> • The Chair welcomed attendees to the meeting.: ➢ Rick Parish - newly appointed External Co-Opted Member of the Audit Committee ➢ Paul Stedman – returning from sabbatical and now a member of the Audit Committee • The Clerk confirmed that all those on line were able to fully participate in the meeting. <p>Apologies None</p>	
<p>3. Declarations of Interest Dr Andrew Gilchrist declared that he is a Governor at Croydon College.</p>	
<p>4. Notification of Any Other Business COVID Update</p> <ul style="list-style-type: none"> • The Principal & CEO provided the Committee with an update on current absences and assured the Committee of the College’s continuing enforcement of all COVID safety measures. <p style="text-align: right;">Update RECEIVED.</p>	
<p>5. Part One Minutes of the meeting held on 9th November 2021</p> <ul style="list-style-type: none"> • The minutes were APPROVED, for signature by the Chair when circumstances permitted. <p style="text-align: right;">Minutes of the meeting APPROVED.</p>	

6. **Matters Arising from the meeting on 9th November 2021.**

- **Item 6** - Update post meeting on delivery of the Secure Remote Working Report. The Principal & CEO confirmed that a briefing email and explanation had been circulated.
- **Item 8** - It was agreed that the tracker report would be refined further following the feedback and a revised format used for the next report. Noted that the format had now been updated to comply with TIAA practices.
- **Item 9**- Members emphasised their concerns that the associated development risks were not being flagged up as high, using the current system. The Principal & CEO informed the Committee that an Estates Working Group had since been established and a specific risk management register associated with the development plan was being introduced and monitored.
- **Item 11ii** - Heat Map - The EDFR&PP confirmed that this action had been completed.
- **Items 12 & 13** - The Clerk confirmed the amendments had been made.
- **Item 14** - The Chair informed the Committee that it was still too soon to agree an additional date pending the finalisation of the loan agreements. The EDFR&PP confirmed that she would keep the Committee advised of timelines to ensure that an additional meeting could be held when necessary. Noted.

EDFR&PP

Update RECEIVED.

Items for Information, Discussion & Approval

The Principal & CEO advised the Committee, that with the approval of the Chair, she had invited the Head of LOGIXX at Brooklands College to attend the meeting. The Clerk admitted Jordi Garcia to the meeting for Item 7 discussions.

7. **2020/21 Internal Audit Reports** – Presented by Executive Director Finance, Resources & People Performance.

7.1 Secure Remote Working.

- The Chair invited Mr Garcia to update the Committee on the report. Mr Garcia advised the Committee that all priority recommendations had been delivered and that these had in fact been actioned prior to the issuing of the report.
- The Principal & CEO advised the Committee that Tenon had issued the report whilst still appointed and despite repeated attempts to sign off the report prior to their departure, the report had not been updated with the dates and management actions taken.
- The Chair of the Committee challenged the Principal & CEO on why actions had not been updated with completion dates. The Committee expressed their concerns regarding the length of time taken to produce the report with management actions and dates.
- The Principal & CEO assured the Committee that ALL priority recommendations had been completed.
- Members reviewed some of the actions in details. The Chair noted that a number of medium recommendations still appeared to be outstanding according to the report.
- The Head of IT confirmed that where policies were required (as part of the recommendations) that this was within the remit of SLT.
- The Principal & CEO confirmed that a short summary email had been provided to complete the audit trail. The Committee were advised that the policies referred to had been drafted and were currently going through the approval cycle.
- The Principal & CEO informed the Committee that TIAA had since taken over the internal audit contract fully and all outstanding recommendations had been included in their tracker report. It was noted that the TIAA tracker report had been completed with dates. (Item 8.1).

- Members of the Committee noted the updates on the spreadsheet but requested that the information be displayed in a more accessible format in future. Discussion followed on the difference between a working document for the Internal Auditors against the need for a clear and concise report for Governors.
- Members noted that the spreadsheet format meant that dates could not be viewed easily.
- The EDFR&PP agreed to work with TIAA to revisit the format. TIAA noted that if requested to do so they could provide examples of reports used in other IT Colleges.
- The Chair requested that the format specifically include columns showing completed, not yet due and outstanding items for ease of reference for Governors. Noted.
- It was agreed that the EDFR&PP would take the comments away and work with TIAA to develop a more fit for purpose, report for the next Audit Committee meeting.

EDFR&PP
TIAA

Report RECEIVED.

8. 2021-22 Internal Audit – Presented by TIAA

Items discussed:

8.1 Learner Numbers Audit Report

- TIAA informed the Committee that they had selected a new sample of records for the purposes of the audit. Detailed discussion followed on how the sample was selected and which areas it covered.
- Governors challenged TIAA on their selection and discussed the challenges presented in some areas such as hairdressing and catering where delivery had to be outside of core college hours.
- The EDFR&PP informed the Committee that it was acknowledged that some students could not be sampled due to the challenges of their timetable being delivered outside of the normal working day. Further discussion followed, on what a normal sample size would be, accepting that the Auditors had not been requested to undertake a 100% check.
- Members noted a typo in the report needed to be corrected to show a zero. Noted.
- Discussion followed on the recommendations. It was noted that the lack of a logo on some documentation could have a significant impact as it was a funding agreement requirement. Members sought information on how the performance of the College compared to others in the Sector.
- TIAA confirmed that of 4 colleges audited all 4 had issues with logo documentation. It was noted that only one set of documents failed the logo test and that this had been followed up.
- Members challenged TIAA on how they could take assurance that the outlier was just that. TIAA acknowledged that no sample could give 100% assurance.
- Discussion followed on the processes applied for apprentices and Members were assured that assessors were in place and visiting the workplace. All apprentices were being closely monitored.
- Discussion followed on the College's current apprenticeship and sub-contracting arrangements.
- The Principal & CEO confirmed that the College had NOT entered into any new arrangements in the area of sub-contracting.
- The students remaining in the apprenticeship programmes that are subcontracted are legacy apprentices that the college owed a duty of care to.
- The Principal & CEO advised the Committee that Apprenticeships are in supportive measures and were therefore subject to robust review on a monthly basis. It was anticipated that all apprentices in this area would complete by March 2022. Noted.

- Members expressed their concern over the lateness of the delivery of LNS report received from the internal Auditors. The Clerk informed the Committee that termly schedules were prepared identifying submission deadline dates, and these schedules would be shared with Internal Audit.
- Members requested that the date of issue of the IA report (and not just the month of issue) be shown on the front sheet of the report. Agreed.

Clerk

TIAA

Report RECEIVED.

8.2 Update on Audits 2021-22

a. Key Financial Controls – Draft Internal Audit Planning Memorandum

- The Committee were advised that the planning memoranda had been issued to provide confirmation of the internal audits that have been scheduled for delivery during the current academic year.

b. Business Continuity – Draft Audit Planning Memorandum –

- The EDFR&PP advised the committee that she had requested that this audit be pushed back to later in the academic year. Noted and agreed.

c. Learner Numbers – Noted that this audit would take place later in the term as per the usual schedule.

d. Wellbeing – Draft Audit Planning Memorandum

- The EDFR&PP advised the Committee that she had requested that this audit be pushed back to May 2022. The Principal & CEO advised the Committee that the College was in the process of setting up a group to focus on staff matters. Noted and agreed.
- Discussion followed on the staff Continuous Professional Development (CPD) day planned.

e. New MIS System (Processes and Procedures)

- The EDFR&PP informed the Committee that this audit had been due to start in March but had now been reprogrammed for June when a follow up of outstanding recommendations would also be undertaken. Noted and agreed.

f. Follow Up Audit

- The Committee were advised that this would take place following completion of the audits referred to above.

8.3 Recommendations Tracker (Report from TIAA portal)

- The Committee were informed that all audits referred to on the tracker were pre TIAA taking over the contract.
- It was noted that TIAA would be reviewing the tracker with the EDFR&PP and progress and evidence of completion would be updated on the tracker.
- The Committee discussed the report and its current format and requested some changes.
- The Chair of the Committee specified all movements against completion dates should be tracked, so that the changes could be clearly identified, discussed, challenged and, where appropriate, agreed at the appropriate committee meeting.
- The EDFR&PP informed the Committee that the report worked well as a management tool but it was accepted that it needed to be enhanced to be fully fit for Governor scrutiny.

TIAA &
EDFR&PP

Report RECEIVED.

- 9. Risk Management – Presented by the EDFR&PP.**
Items discussed:

Brooklands College

- The EDFR&PP presented the report and informed the Committee that the management team were proactively using the risk register as a live document. It was noted that the Spring Term risks were identified at columns AA to AL.
- Discussion followed on the risks where movement had been flagged up. It was noted that risk 3 had been downgraded due to the reduction in Covid restrictions and the return to site.
- The Committee noted that Risk 4 was the loss of key staff. Discussion followed on why this had been flagged up and the challenges facing recruitment in some areas of the curriculum.
- The Principal & CEO informed the Committee that the College was adopting a creative approach to attracting high calibre candidates to roles. Significant work was invested in communicating with prospective candidates and keeping them invested in the application process.
- The Committee discussed the challenges of retaining staff and the Principal & CEO informed the Committee that the lack of a pay rise was an issue as other Colleges in Surrey had made pay awards. Alternative enhancements were being employed that were cost neutral where possible such as additional leave at Christmas and early finishes linked to CPD.
- The Principal & CEO informed the Committee that she would be reviewing the matter further and anticipated bringing a paper to the Resources Committee on a proposed pay award. Noted.
- The Chair said he was aware that some other college had implemented modest pay rises.
- The Committee discussed the reducing risks due to the completion of the remote working audit.
- The Principal & CEO informed the Committee that a specific risk management register would be submitted and monitored to the newly formed Estates Working Group (EWG) in due course. The Committee were advised that the EWG intended to meet on a monthly basis for the foreseeable future. It was also noted that the minutes from this group would be circulated to the Resources Committee for oversight purposes.
- Following further discussion of report formats and styles it was agreed that TIAA would provide examples of alternative risk reports to the EDFR&PP to review and consider.
- Members of the Committee welcomed the proposal to have a top-level summary focussing on movement of risks on the register.
- The Clerk to the Corporation requested that all reports have a front sheet attached as per standard College protocols. Agreed.

Principal & CEO

TIAA
EDFR&PP

Report RECEIVED.

13. Any Other business

- Terms of Reference for Information –It was noted that the final item under number 3 needed to be revised. Subject to this change the Audit Committee Terms of Reference were agreed.

Clerk

14. Date of Next Meeting

- It was noted that the date of the meeting was incorrect. **The scheduled date is confirmed as Tuesday 24th May 2022 at 6pm Via ZOOM.**
- It was noted that an additional meeting may be required to discharge business relating to previous years.

Signed By: _____

Date: _____