



MINUTES OF THE AUDIT COMMITTEE MEETING HELD 19 MARCH 2019

Present: Mr Stephen Hewes (Chair)
Mr Gerard Weide

In Attendance: Ms Kim Saw - Director of Finance
Mr Jon Allen - Clerk
Mr Sagar Patel - Risk Champion
Mr Chris Whelan - Chief Executive, Reigate LA

The meeting commenced at 1800.

WELCOME, APOLOGIES & DECLARATIONS OF INTEREST

33. The Chair welcomed everyone to the meeting. There were no apologies. There were no declared interests against any of the agenda items.

MINUTES

34. It was **RESOLVED** to approve the minutes of the Audit Committee meeting held 20 November 2018 as an accurate record of the meeting.

SUMMARY ACTION LIST & MATTERS ARISING

35. The Summary Action List was received and the following updates were made available:

MIN	DETAILS	UPDATE MADE AVAILABLE
23	Another area identified for seeking assurance was on physical assets, cyber security, and GDPR compliance. It was AGREED in the first instance to ask the internal audit service to provide a scope for such an audit with confirmation that they have appropriate expertise from their audit team to conduct the assurance review.	The internal auditors are to review cyber protection, and through their review, any issues on data protection and a failure to comply with GDPR would be brought to the Committee’s attention. It was AGREED to make available a process/policy to follow in the event of any data breach by the College.
24	The meeting discussed possible approaches for the review of student success rates that are quoted at Trust Board meetings. This item was covered by the Internal Audit service in the prior year, however, it was suggested that an independent	It was confirmed that meetings are taking place next week with some other colleges in the S7 group to provide peer assessment on a range of key areas and to make available to governors the outcomes of the

	review by staff from another college, possibly on a reciprocal basis, would be of merit. It was AGREED that this possibility would be explored further.	peer assessment as a source of assurance from third parties. It was AGREED to receive a progress update arising from the meetings that are schedule to take place next week,
30	<p>Board Assurance Framework, Risk Register, and Risk Management Action Plan 2018/2019:</p> <p>During a thorough review of the document, the following was AGREED:</p> <ul style="list-style-type: none"> (i) To add to the Board Assurance Framework the process for informing the Trust Board on the assurance assessments conducted by the Trust's sub-committees; and (ii) To add to the Risk Register a risk on physical assets, cyber security and GDPR compliance 	Covered in the agenda item at this meeting on the Board Assurance Framework.
32	A request was made to move forward the June meeting date to Monday 10 th June 2019, with the scheduled Finance Committee meeting moving back a week to Monday 17 th June 2019. The Clerk agreed to seek the agreement of the Chair of the Finance Committee and Director of Finance for the change in dates.	Meeting date changed.

INTERNAL AUDIT REPORT

36. The Committee received for review the report from the internal auditors on their audit review on Individual Learning Records (ILR). The audit was in relation to the requirements of and compliance with the requirements of the funding agencies, including a high-level review of the application of the Data Self-Assessment Toolkit (DSAT).

37. A 'Substantial' audit opinion was given which is defined as '*key risks are identified; controls are in place and operating in practice. Management action may be required to improve the design of controls or the application of controls to achieve the system objective*'.

38. The audit made one 'Low' recommendation - '*Merits attention and would improve overall control*'.

39. The 'Low' recommendation was as follows:

'The College should ensure it has a retention schedule in place which details how long withdrawn students' files are to be retained prior to destruction'.

40. The following management response was **NOTED**:

'The College has a clear retention Policy with regard to withdrawn student files. If a student withdraws before enumeration, the paper file is destroyed. There are 2 exceptions to this:

- 1. If there are safeguarding issues concerning the student, the file is kept for 7 years as required by the LEA.*
- 2. If a student has previously been a student at the College as an Intermediate student transferring to a level 3 programme or a L6 transferring to a U6, then the student file will also be kept for 7 years.*

The College will now be reviewing its retention schedule with regard to withdrawn students as there could be a perceived inconsistency as highlighted by the auditor. It is felt that all students who enrol at the College, even if for a short amount of time, should have their paper files retained for 7 years in line with the LEA recommendation should safeguarding issues later emerge'.

41. It was **RESOLVED** to note the report.

BOARD ASSURANCE FRAMEWORK, RISK REGISTER, AND RISK MANAGEMENT ACTION PLAN 2018-2019

42. The Risk Champion introduced the report that proposed the Board Assurance Framework, Risk Register, and Risk Management Plan for 2018-19 that had been subject to review following the suggestions made at the last meeting. It was confirmed the following had been acted on:

- (i) To add to the Board Assurance Framework the process for informing the Trust Board on the assurance assessments conducted by the Trust's sub-committees, and
- (ii) To add to the Risk Register a risk on physical assets, cyber security and GDPR compliance

43. It was noted that under the revised process, Committees to conduct their board assurance review on the papers made available to them at the conclusion of the meeting, rather than for each paper, as has been the process to date. This would be done at each meeting by completing the following form:

Agenda item number	Paper number	Subject	Report prepared by	Attached papers or report(s)	Board Assurance (yes/no)	RAG rating	Recommendation

44. The Clerk would then make available a termly report to the Trust Board summarising the board assurance reviews conducting by the Committees.

45. The Chair requested for the Committee to adopt this approach for this meeting and to conduct a board assurance review on the two papers received at this meeting. The following assessments were **AGREED**:

- (i) Internal Audit Report on ILR - Yes, part of the Board Assurance, and a RAG rating of 'Green' was agreed (high level of assurance - no additional actions or monitoring are recommended at this point) There were no recommendations from the Committee.
- (ii) Board Assurance Framework - Yes, part of the Board Assurance, and a RAG rating of 'Green' was agreed. There were no recommendations from the Committee.

46. The Clerk reported that the Finance Committee at its meeting held on 11 March 2019 agreed a 'Green' assessment on the two substantive agenda items considered at the meeting - Management Accounts, and Funding Agreement for next year. Both of these are part of the Board Assurance Framework. There were no recommendations from the Committee.

47. During the review of the Risk Register a discussion took place on whether the Risk Register should include a residual score for the risk after taking into consideration the actions to be taken to mitigate against the risk. It was **AGREED** to keep this under review for further discussion.

48. It was **RESOLVED** to recommend that the Trust Board at its meeting on 02 April 2019 approves the '*Board Assurance Framework, Risk Register, and Risk Management Plan for 2018-19*'.

ANY OTHER BUSINESS

49. A request was made for the start times of meetings to be brought forward. It was **AGREED** to have a start time of 17.30.

DATE OF NEXT MEETING

50. Monday 10 June 2019 @ 17.30.

The meeting closed at 19.00

Signed: _____ Date: _____
(Chair)

SUMMARY ACTION LIST

MIN	DETAILS	REVIEW
23	It was AGREED to make available a process/policy to follow in the event of any data breach by the College.	10/6/19
35	It was confirmed that meetings are taking place next week with some other colleges in the S7 group to provide peer assessment on a range of key areas	10/6/19

	and to make available to governors the outcomes of the peer assessment as a source of assurance from third parties. It was AGREED to receive a progress update arising from the meetings that are schedule to take place next week,	
47	The review of the Risk Register a discussion took place on whether the Risk Register should include a residual score after taking into consideration the actions to be taken to mitigate against the risk. It was AGREED to keep this under review for further discussion.	10/6/19