



**MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 15 MARCH 2022 AT
10.00 AM REMOTELY VIA MS TEAMS**

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MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 15 MARCH 2022 AT 10.00 AM IN REMOTELY VIA MS TEAMS

Present: Kevin Slack (Chair), Hazel Clint, Andrew Dymond, Rosslyn Green

In attendance: Bernadette Doyle (Executive HR Director) 57/21-22
Michael Ford (Corporate Services)
Roberta Hall (Interim Head of HE) 53/21-22
Heather Simcox (Deputy CEO)
Cheryl Tacchi (Data Protection & Risk Assurance Co-ordinator)
Heather Withington (OFS Compliance and Policy Officer) 53/21-22
Jonathan Creed (ICCA – Internal Auditors)

Rose Matthews (Clerk)

Prior to commencing formal business, Governors met in private with the representatives from ICCA.

PART ONE - GENERAL MINUTES

46/21-22 WELCOME AND INTRODUCTIONS

Andrew Dymond was welcomed to the meeting and introductions took place.

47/21-22 APOLOGIES FOR ABSENCE

Apologies for absence were received from Richard Eaton.

48/21-22 DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM

All members were eligible and the meeting was confirmed to be quorate.

There were no new declarations.

49/21-22 MINUTES OF THE PREVIOUS MEETING

RESOLVED: The minutes of the meeting held on 23 November 2021 were formally approved.

50/21-22 MATTERS ARISING

37/21-22 To provide substantial assurance as part of an assurance framework was not necessarily feasible and could incur an infinite cost. Jonathan Creed, of ICCA, explained reasonable assurance was as good as it could get. Even larger organisations with their own inhouse

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internal audit functions only provided reasonable assurance.

It was noted the College had a 3-5 year work cycle with ICCA and cover a wide range of areas over that five year period.

Members were satisfied provided the key assurances were covered.

38/21-22 The Audit Committee Annual Report was presented to the Corporation at its meeting on 13 December 2021.

51/21-22 INTERNAL AUDIT SERVICE CURRICULUM EFFICIENCY

Jonathan Creed of Internal Auditors, ICCA presented the Curriculum Efficiency report.

The scope of the report was to provide assurance that the College's curriculum planning processes were supported by robust systems, processes and controls.

Overall, the report provided a substantial audit opinion. One medium recommendation was made relating to staff utilisation. All recommendations were accepted. DCG would look to set a planned utilisation target for 22-23 academic year with full implementation by 2023-24.

Committee members discussed staff utilisation in relation to the benchmark and standardisation across the organisation. Furthermore, a lengthy discussion ensued with regards to perceived efficiencies with online delivery. Lower level and younger students struggled with the move online which also affected their experience and behaviour. The Head of HE provided her perspective in that a great deal more energy and preparation time was required for online, as opposed to face-to-face delivery.

Rosslyn Green questioned why some utilisation was over 100%. This was due to some team members covering sickness and those who willingly worked over and above their hours.

52/21-22 HIGHER EDUCATION STRATEGY

The Internal Auditors shared their report on the Higher Education Strategy.

The aim of the report was to ensure the College had an effective HE Strategy and operational controls in place over the provision.

The report was adequate in terms of design and offered an overall substantial assurance opinion.

Three recommendations arose from the report, which were accepted. Two of which were medium and related to progression through internal pathways, and HE Recruitment.

The Head of HE explained they only had 11 different curriculum areas and the 27 programmes related to different levels of the same programme. Programmes were delivered in collaboration with local universities.

The Institute of Technology was a great example of the partnership between the University of Derby, University of Loughborough and Loughborough College in STEM subjects and provided an example of meeting local needs and collaborative working.

53/21-22 HIGHER EDUCATION RISK REPORT

Roberta Hall, Head of HE and Heather Withington, OFS Compliance and Policy Officer presented the report on higher education risk.

There were no red risks identified, and four risks had been drawn out for Members' attention which were ongoing. These were covered in detail, including key mitigations.

Members discussed the challenge with horizon scanning for future risks and it was noted that Heather Withington's role also looks at HE policy and horizon scanning, including the QAA and the recent response to the Auger report which is then disseminated to key staff and implications considered.

The Head of HE and OFS Compliance and Policy Officer left the meeting.

54/21-22 OFS HIGHER EDUCATION AUDIT LETTER

The Committee received the letter from the OFS in relation to the Audit of 2019-20 ILR Higher Education Student Data.

The letter confirmed they were satisfied with the action plan in place and the expected amendments had been made. Therefore, the audit was formally closed.

There would be continued oversight internally moving forward.

55/21-22 STRATEGIC RISK MANAGEMENT REPORT

Michael Ford presented the latest Risk Management Report and updated Register.

There were 25 risks under review on the Corporate Risk Register. The nine risks rated as high were discussed

with members, along with mitigations. These were discussed at length particularly with regard to the challenges faced with recruitment in the sector and with the Government increasing teacher salaries in schools but not in Colleges. AEB and cyber security were also covered and it was agreed to invite the Director of IT to the next meeting to provide an update in relation to cyber security and the implications of the Cyber Essentials Plus accreditation.

RM

21/06/22

There had been no significant issues to health and safety this academic year.

Information on the number of safeguarding cases and PREVENT referrals was shared and Members were pleased to note there had been no safeguarding cases to report at the nursery.

They were also appraised of outstanding litigations.

The Chair made reference to a recent article in the local press relating to the College and asked if additional measures had been put in place. Members were fully appraised of the incident which differed considerably to that reported.

Preventative measures already in place were discussed and the College had a zero tolerance for crime.

56/21-22 REVIEW OF INTERNAL AND EXTERNAL AUDIT RECOMMENDATIONS

The Internal and External Recommendations Monitoring Report was shared.

The Committee noted there were five ongoing actions, the recommendations from the two reports from this meeting would be added to the report.

57/21-22 GENDER PAY REPORT AND STATEMENT

The Executive Director of HR joined the meeting and shared the Gender Pay Report and Statement.

This was a snapshot from March 2021

Reporting of this data by 31st March 2022 is a legal requirement. The data was taken from a snapshot in March 2021.

DCG's mean and median gender pay gap continued to widen with the increase since 2017 being significant. DCG's data was, however, was below the benchmark for the FE sector, which provided some comfort.

More focus needed to be given to the underlying reasons. The Executive HR Director said she would return with

analysis at a future meeting, but due to the introduction of the new HR system was able to review the data at this time.

Members approved the Gender Pay Statement for publication on the College's website, once it had been to JCG.

58/21-22 CLERK'S UPDATE

The Clerk raised some points for consideration following two recent events she had attended.

RSM had recently delivered a presentation on audit and risk assurance to the Clerk's Network.

To support the assurance process 'cross pollination' was discussed where committee members observe other committees to support the assurances they receive as a Committee.

Members noted this but said time could be a factor. They would however consider it and it was agreed the Clerk would circulate committee minutes and agendas from other meetings to present further assurances.

RM

21/06/22

Other points raised related to co-opted members not always having the same information as other members by not attending the Corporation meetings. However, this wasn't considered a problem as at DCG they received Corporation minutes and any key briefings and training.

More thorough training for audit committees was also recommended, although this was being looked at as a sector.

The Expert Governance training attended by the Clerk had recommended each meeting reported on fraud, even if a nil return and a fraud register be implemented. This would be picked up through the imminent fraud assurance review and the risk report would include this moving forward.

The meeting finished at 11.30 am

Signed: _____ Date: _____