



**MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 21 JUNE 2022 AT
10.00 AM (HYBRID) – IN T108, THE ROUNDHOUSE AND REMOTELY**

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MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 22 JUNE 2022 AT 10.00 AM IN (HYBRID) – IN T108, THE ROUNDHOUSE AND REMOTELY

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

In attendance: Jo Clifford (CFO)
Michael Ford (Corporate Services)
Roberta Hall (Interim Head of HE) 75/21-22
Heather Simcox (Deputy CEO)
Cheryl Tacchi (DPO))
Heather Withington (OFS Compliance and Policy Officer) 75/21-22
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

66/21-22 INTRODUCTIONS

Introductions took place with Jo Clifford the new CFO and Cheryl Tacchi, who had been appointed DPO.

67/21-22 APOLOGIES FOR ABSENCE

There were no apologies for absence.

68/21-22 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.

69/21-22 MINUTES OF THE PREVIOUS MEETING

RESOLVED: The minutes of the meeting held on 15 March 2022 were formally approved.

70/21-22 MATTERS ARISING

55/21-22 The Director of IT had been invited to this meeting to present an update with regard to Cyber Essentials.

58/21-22 The Clerk had circulated meeting minutes.

Action	Date
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Name: Rose Matthews
Area: Audit Committee

Date: 28/06/22
Ref: Corp/AC Page 2 of 5

**71/21-22 INTERNAL AUDIT SERVICE
IT AND DATA INFRASTRUCTURE AND DISASTER
RECOVERY**

Jonathan Creed of Internal Auditors, ICCA presented the IT Data Security, Infrastructure and Disaster Recovery Internal Audit Report.

The scope of the report was to provide assurance that there are arrangements in place and procedures documented to minimise disruption, maintain the service continuity of the College and the security and integrity of critical data in the event of a defined contingency event occurring.

Overall, the report provided a substantial audit opinion. Two medium recommendations were made relating to the independence of the DPO role. Members spoke to the newly appointed DPO, who was fully qualified and had been in the Co-ordinator role for the past four years. She was confident in dealing with the ICO and had led on the review of Data Protection Audit.

Testing the recovery facilities was a medium recommendation. A planned practical testing had been postponed and needed to be revisited.

There were three low recommendations which were detailed in the report.

The Director of IT provided a cyber essentials update. In order to achieve the enhanced standard, which the ESFA's funding agreement states the Group should be working towards, Group devices (including mobile phones) need to be replaced every three years. This incurs a considerable cost implication (and doesn't apply to schools). The Group had a buy your own device initiative, but in these circumstances the Director of IT would not be responsible for employees replacing their device in three years. Lobbying was taking place with JISC and the AoC to remove the restriction from the funding agreement.

**72/21-22 COMPLIANCE WITH DATA PROTECTION
REGULATION**

The Internal Auditors shared their report on the Compliance with the Data Protection Regulation.

The aim of the report was to provide assurance the Group had taken the necessary steps to ensure compliance with GDPR.

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

There were no recommendations. Members raised questions around the phishing exercises undertaken and reporting of breaches. It was noted the Group offered a supportive environment encouraging reporting of any breaches, rather than creating a blame culture.

73/21-22 DRAFT INTERNAL AUDIT PLAN AND STRATEGY

Jonathan Creed, of the Internal Auditors, ICCA presented the draft Internal Audit Plan for 2022-23 and updated Strategy 2023-24, which had been developed in conjunction with the Group's SLT.

Chair

11/11/22

Jonathan explained the Audit Committee had the right to keep the plan under review and make changes as the risk profile or operating environment changed.

Members recommended the Internal Audit Plan and Strategy to the Corporation for approval.

**74/21/22 EXTERNAL ASSURANCE
SUB-CONTRACTING CONTROLS**

The Sub-Contracting external assurance report was presented and discussed, which is an advisory report which mandated by the ESFA.

The College was required to produce a certificate to the ESFA by 31 July 2022 indicating compliance with their requirements, or if not, then ensure an action plan was in place.

The summary of findings was presented, along with a follow-up of previous recommendations.

One low priority recommendation was made. It was noted this was down to a timing issue. This was made difficult because contracts cannot be raised until the updated funding requirements are issued.

75/21-22 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 15 risks identified on the Risk Register, six were green and nine were amber. There were no risks flagged as red. These were covered in detail, including key mitigations.

76/21-22 STRATEGIC RISK MANAGEMENT REPORT

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

There were 26 risks under review on the Corporate Risk Register. The seven risks rated as high were discussed with members, along with mitigations. The Chair raised a debate at the last Corporation meeting where members discussed the impact of the mitigation.

Any risks regarding finance would be reviewed by the new CFO.

The DCEO raised an emerging risk of strike action by UCU, who have declared a national dispute with 29 colleges, with a ballot out for strike action in September during main enrolment. The claim is for 10%, with the AoC recommending 2.25%.

Hazel Clint questioned the milestones. It was noted the Executive Director of HR was commencing discussions and there would be a proposal to put to Corporation in July, but it would not be 10%.

The Chair questioned how the risk register concerns would be addressed moving forward. In 2019-20 ICCA carried out a positive audit of the risk management process and Michael Ford and Mike Kapur did a full review of the Risk Register during the last academic year.

This had been discussed at the last SLT meeting and it was proposed to make changes to how impact is mitigated. It would not change what was being done, but how it would be presented. This would be shared at the next Audit Committee meeting.

MF

SEPT 22

77/21-22 REVIEW OF INTERNAL AND EXTERNAL AUDIT RECOMMENDATIONS

The Internal and External Recommendations Monitoring Report was shared.

The Committee noted there were five ongoing actions.

78/21-22 OVERVIEW OF AUDIT CODE OF PRACTICE

The Head of Internal Audit, Jonathan Creed, delivered a presentation summarising the key changes to the updated Audit Code of Practice.

The meeting finished at 12.00 noon

Signed: _____ Date: _____