

Minutes Part I

| Audit Committee | |
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| Meeting Time and Date | 0830 on Monday 11 March, 2019 |
| Meeting Location | Room H2, Enfield |
| Present | Robert Howard (Chair) Guy Jones-Owen (Vice Chair) Beryl de Souza Mark Smith (Scrutton Bland) Leisyen Keane (Scrutton Bland) Christine Bianchin (Academic) Damien Fallon (Finance) Steven Girling (Estates) Malcolm Goodwin (Principal) |
| Minute Taker | Joanne Coffey (Clerk) |
| Apologies | Susanne Datta (HR) |
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| <p>1. Apologies</p> <p>1.1. Apologies were given for Susanne Datta.</p> | |
| <p>2. Declaration of Interests</p> <p>2.1. None.</p> | |
| <p>3. Minutes (Decision)</p> <p>Resolved to</p> <p>3.1. Approve the minutes of the Audit Committee meeting held on 20 November 2018 as a correct record and authorise the Chair to sign them.</p> | |
| <p>4. Matters Arising (Information)</p> <p>4.1. Various options exist for Trustee training for Governors, including:</p> <ul style="list-style-type: none"> a) Buzzacott's event: Charity accounts for non-accountants b) TrusteElearning.org run various online Trustee training modules c) Enfield Voluntary Association. <p>4.2. The Committee requested for all optional Trustee and Governance training to be communicated within a termly</p> | Clerk |

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| <p>email to Governors along with any mandatory training instructions.</p> | |
| <p>5. Report of the Executive Director of Finance and IT (Decision)</p> <p>5.1. The College tendered for the Financial Statement and Regularity Audit Service for 2018-21.</p> <p>5.2. Two accountancy firms out of five chose to tender and were interviewed by a tender panel of Governors and SLT on 8 February 2019.</p> <p>5.3. Both auditors performed well and impressed the panel, however, Buzzacott were unanimously selected following a rigorous scoring process.</p> <p>Resolved to</p> <p>5.4. Accept the recommended outcome of the audit tender process and appoint Buzzacott, with a new lead auditor, as College external auditors for a period of 3 years in respect of the 2018/19-2020/2021 statutory, regulatory and Teachers' Pension Scheme audits.</p> <p>5.5. Buzzacott issued an addendum to their engagement letter which the Committee agreed for the Principal to sign on the Chair's behalf.</p> <p>Resolved to</p> <p>5.6. Accept the addendum to the engagement letter issued to the College by Buzzacott.</p> | |
| <p>6. Update on General Data Protection Regulations (GDPR) (Decision)</p> <p>6.1. Extensive work on policies and guidance has been completed by the Data Protection Officer (DPO) and Ashfords, the College's legal advisors, including:</p> <ul style="list-style-type: none"> a) Data Protection Policy b) Departmental Information / data audits c) Retention Policy d) Freedom of Information Policy e) Freedom of Information Process Document f) Data Protection Impact Assessment (DPIA) Form g) Information Security Policy (to merge with the IT Security Policy) h) Review of IT Security Policy i) New Supplier Details Form - (linked to Privacy Policy) j) Subject Access Request Policy k) Data Breach Policy l) Data Breach Notification Procedure m) Data Breach Register | |

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| <p>n) General Privacy Notice o) Staff Privacy Notice p) Student Privacy Notice q) GDPR Working Group Terms of Reference r) Cookie Policy s) Memorandum of Understanding Capel Manor Limited and Capel Manor College t) Tripartite Memorandum of Understandings - Forty Hall Community Vineyard Limited, Forty Hall Community Vineyard Association and Capel Manor College.</p> <p>6.2. The paper was corrected to confirm that 91% of staff had completed their GDPR training at 27 February 2019.</p> <p>Leisyaen Keane joined the meeting.</p> <p><u>Delegation of the role of the Data Protection Officer (DPO)</u></p> <p>6.3. The GDPR audit recommended that a risk assessment be completed in respect of the independence of the role of the DPO, currently held by the Director of Management Information Systems (MIS).</p> <p>6.4. Ashfords carried out the risk assessment and concluded that as the Director of MIS is a senior management role, they could not confirm independence.</p> <p>6.5. The Principal explained that the role of the Director of Information Services is a management role and not an executive role on the senior leadership team and any conflict of interest is limited to processing student-related data.</p> <p>6.6. Other independent options for the DPO role could be the Clerk to the Corporation or an external provider. The Clerk may still have conflicts of interests in respect of Governor-related data processing. The option to outsource the role of DPO is relatively expensive and less practical.</p> <p>6.7. Scrutton Bland, the College's internal auditors, confirmed that it was currently common practice to either delegate the DPO role to the Head of MIS or the Clerk, and that it was early days to establish best practice between the two.</p> <p>6.8. The Committee were confident for the Director of MIS to continue as DPO and to review the position again in June 2019, once the external audit has been completed, and thereafter annually, until best practice in the sector has been fully established.</p> <p>6.9. It was noted that, according to the Risk Register, F&GP own the risks around GDPR and would need to be satisfied with ongoing arrangements.</p> | |
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| <p>6.10. The Director of MIS and DPO, Richard Davies, was thanked by the Committee for the extensive GDPR work completed thus far.</p> <p>Resolved to</p> <p>6.11. Instruct the Principal to formally announce to the College and F&GP that the Director of Management Information Services would be the Data Protection Officer for the College and strategic lead for GDPR, with a risk assessment as proposed by the auditors reviewed in 3 months' and then annually.</p> | |
| <p>7. Internal Audit Reports – Year to date 2018-19 (Decision)</p> <p><u>Strategic Planning</u></p> <p>7.1. Scrutton Bland gave a Strong assurance, the highest level, with no recommendations made following a positive assessment of the College's Strategic Plan and its reporting of progress, which included helpful feedback from the Chair of Governors.</p> <p>7.2. It was considered that the Strategic Planning Framework is coherent and has been developed through effective consultation with staff and Governors.</p> <p>7.3. Through discussions with senior management it was confirmed that departments are actively considering how they will contribute towards the achievement of the objectives.</p> <p>7.4. Investment in additional staff in key areas has been agreed and steps were being taken to recruit to these posts at the time of the review.</p> <p>7.5. An outstanding added-value point, to create a visual guide to signify the underpinning strategies that will be relied upon to achieve the strategic plan, will be received by the Strategy Committee in May 2019.</p> <p><u>Income, Debtors and General Ledger</u></p> <p>7.6. A Significant assurance was received for the audit on income, debtors and general ledger.</p> <p>7.7. Overall, it was considered that the financial controls in place regarding income, debtors and cash handling are robust and well understood within the Finance Department.</p> <p>7.8. The College is effectively collecting commercial debts and steps are being taken to address previous issues raised regarding the collection of student debts, documentation and timely communication of debt between MIS and Finance.</p> | <p>Principal</p> |

7.9. As issues in this area are now resolved, the Committee agreed that an annual audit of the Income, Debtors and General Ledger audit report was no longer necessary.

Quality Management

7.10. Scrutton Bland gave a Significant assurance for Quality Management with no recommendations made.

7.11. To achieve a future Strong opinion, the College has recruited two Curriculum Quality Managers (CQMs) with specific responsibility for separate curriculum areas with the most recent appointment commencing in this role in January 2019.

7.12. It was considered that the updated framework has strengthened the quality management procedure throughout the College, and good progress has been made to date to implement the key tasks, with evidence seen that appropriate and timely actions are being taken.

7.13. The College has recruited an E-learning consultant to create flexible learning opportunities for students. Such expertise strengthens the College's technical position and will test the feasibility of full distance learning courses in the future.

Maths and English

7.14. Maths and English received a Significant assurance opinion as the College has robust controls in place in relation to the maths and English delivery framework with 100% compliance noted by Scrutton Bland.

7.15. The College has specific tutors with responsibility for the maths and English delivery and link to vocational tutors to enable job specific maths and English training to ensure real-life examples are used. This is underpinned by the maths and English guidance documents provided to staff.

7.16. The College achieved the following for 2017-18:

- a) Overall Achievement - 93% (National average 80%)
- b) GCSE Maths/English - 86.2/84.4 (National average 83%)
- c) Functional Skills Maths/English - 63.4/77.2 (National average 65%)
- d) Overall retention - 93.1% (National average 86.8%).

7.17. Students applying for a course within the College are advised of the possible need to continue their maths and English studies within the prospectus, during open events and interviews and undertake assessments prior to enrolment to ensure that their level of study is appropriate. A recommendation focused on

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| <p>ensuring this information is also transparent on the College's website.</p> <p>7.18. The Vice Principal highlighted that students are further encouraged to study maths and English through their understanding of where these skills also embed into specific land-based tasks, such as measurement, record keeping and communication.</p> <p>7.19. Governors suggested peer-to-peer mentoring of students in maths and English, to demonstrate the methods that their peers found helpful.</p> <p><u>Learner Records</u></p> <p>7.20. The Learner Records audit received a Significant assurance and stated that the College continues to follow effective processes to ensure the accuracy of the data submitted on the Individual Learner Records (ILR).</p> <p>7.21. It was found that the evidence held by the College to support learners' eligibility for funding, in terms of residency, was appropriate and the register completion rate was found to be very good. At the time of the audit, a total of 81 registers remained unmarked, with none being outstanding for more than one week. This compares favourably against the majority of Scrutton Bland's College clients.</p> <p>7.22. Low recommendations were in relation to completion errors during the input of information and where attendance criteria did not match the student's individual timetable. Systems are now in place to correct these administration errors.</p> <p><u>Risk Management and Governance</u></p> <p>7.23. Scrutton Bland gave Risk Management and Governance a Significant assurance where it considered that the College's Governance Framework reflects favourably against the AoC's Code of Good Governance for English Colleges, with good practice in place in a number of areas.</p> <p>7.24. Auditors' suggestion to reduce Governors' length of service, before it becomes exceptional, from three terms to two was being recommended to the Search, Governance and Remuneration Committee in March 2019.</p> <p>7.25. A low recommendation to ensure that the Risk Register evidenced mitigating controls and remained current had been resolved and the Senior Leadership Team (SLT) were refreshing their areas of management on a daily basis.</p> <p>7.26. The Committee discussed whether the high number of specified risks (92) created too much detail, versus a smaller set of broader risks. As the Governing Body contains six sub-</p> | |
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| <p>committees, it was deemed appropriate to continue to provide such a break-down to ensure that specialist focus was given to each risk.</p> <p>7.27. Governors suggested more use of co-opted external expertise, where appropriate, to bring in other skills and experience.</p> <p>Resolved to</p> <p>7.28. Accept the Risk and Assurance Reports on Strategic Planning, Income and Debtors and General Ledger, Quality Management, Maths and English, Learner Records and Risk Management and Governance issued by Scrutton Bland as part of the College's Internal Audit Plan 2018-19.</p> | |
| <p>8. Risk and Assurance Progress Report 2018-19 (Decision)</p> <p>8.1. Scrutton Bland are due to audit the following remaining areas for 2018-19:</p> <ul style="list-style-type: none"> a) Learner Recruitment b) Follow-up on Previous Recommendations c) GDPR. <p>8.2. The Committee were satisfied that these audits remain relevant.</p> <p>Resolved to</p> <p>8.3. Confirm the Internal Audit Plan for 2018-19 remains appropriate to the current needs of the College.</p> | |
| <p>9. Financial Statements Auditor (Decision)</p> <p>9.1. The Financial Statements and Regulatory Auditors' service is assessed annually by SLT.</p> <p>9.2. SLT's assessment remains high and the Committee were satisfied to confirm the evaluation of Buzzacott, who were also re-appointed for 2019-21 (see Minute 5.4).</p> <p>Resolved to</p> <p>9.3. Confirm the evaluation of the performance of the financial statements and regularity audit service for 2017-18 as good (the highest grade).</p> | |
| <p>10. Review of Risk (Decision)</p> <p>10.1. Governors requested a summary report, highlighting any significant revisions and additions, in order for the Committee to more clearly assess if individual audits are required.</p> | |

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| <p>10.2. SLT will produce an appropriate format which will be presented at the summer 2019 Audit Committee meeting, going forwards.</p> <p>10.3. The Risk Register to ensure dates of review are recorded following each Committee meeting.</p> <p>Resolved to</p> <p>10.4. Enter any amended or added Audit Risks to the Risk Register along with a new summary report.</p> | <p>Principal</p> <p>Clerk</p> |
| <p>11. AOB</p> <p>11.1. The Committee discussed the process conducted following a student's withdrawal from the College.</p> <p>11.2. The Vice Principal confirmed that interaction with staff is imperative to ensure reasons are checked and recorded, along with acknowledging any themes picked up on the College's management information systems to correct any course issues.</p> | |
| <p>12. Date of next meeting</p> <p>12.1. The next Audit Committee meeting will take place on Monday 24 June at 0830.</p> | |