



MINUTES

GOVERNORS: Craig O'Donnell (Chair)
Caroline Allen

IN ATTENDANCE: **Internal:**
Frances Wadsworth (Principal and Chief Executive)
Keith Oxspring (Chief Operating Officer – COO)
Paul Marsden (Director of IT & Estates)
Lesley Fooks (Director MIS)

Auditors
Paul Jagger (BDO)
Mike Cheetham (RSM)

CLERK: Evan Williams

APOLOGIES Mark Wilson (co-opted Audit Committee member)
Kyla Bellingall BDO, was unable to attend.

QUORUM The meeting was not quorate

TIMING 6.05 – 7.16pm

Item no	
1.	Apologies for Absence Apologies for absence and other absences were as above. Apologies were received from Mark Wilson. It was noted that the meeting was not quorate and it was agreed to record discussions from the meeting. Any decisions would need to be referred to a later date.
2.	Declarations of Interest No additional interests were declared
3.	Minutes (notes) of the Meeting Held on 22 February 2017 The notes/minutes were approved, with one minor amendment, as an accurate record and were signed by the Chair.
	Matters arising There were no matters arising.

4.

i. Internal Audit

Supporting papers presented by Mike Cheetham, RSM

i.a Internal Audit 2016/17. Key financial controls

The Key Financial Controls audit is an annual core audit which helps to inform the Board's overall internal control opinion which appeared in the end of year accounts. For the 2016/17 review the following areas were covered: General ledger, other income & debtors, payroll and procurement & payments.

Three low priority management actions have been raised.

The overall opinion was 'Green', with some minor housekeeping issues. The COO advised that College payroll reconciliation was undertaken each month and would now be signed off in accordance with the audit recommendation.

There were no further questions.

The committee received the report.

i. b Risk Management

A review of operational risk three, Severe Business Disruption was undertaken. The auditor advised that the Board can take reasonable assurance (amber/green RAG rating) that controls in place to manage this risk are suitably designed and consistently applied.

However, issues have been identified that need to be addressed in order to ensure that the control framework is effective in managing the identified areas.

The Internal Auditor informed the committee of one medium risk rating relating to training being provided to all duty managers on dealing with incidents.

The Director of IT & Estates advised the committee that one-to-one training for duty managers was taking place but this had not been recorded. Training for all duty managers was taking place on 15 June. Guidelines had been developed which were with the Executive team for approval.

The Head of IT also informed the committee that two evacuations had been carried out and that muster point locations had been adhered to by students and staff.

The Chair thanked the Director for IT & Estates for his report and noted that the training was post the advised date of 31 May 2017.

The Chair advised those present of the police messaging regarding terrorist attacks of Run, Hide, Tell. He agreed to forward details to the Principal.

The committee received the report

Action - Chair to forward Run, Hide, Tell police messaging to the Principal.

i.c Governance

The review of Governance focused on the adoption of the AoC Code of Good Governance for English Colleges. The Auditor advised the committee that the College was compliant with 42 of the 44 principles tested and advised that the Board could take substantial assurance (green RAG rating) that the controls are consistently applied and operating effectively.

He advised that the medium risk of the review of effectiveness of the sub committees with the exception of Audit, which is reviewed, needs to take place.

There were no further questions.

The committee received the report.

id. Learner number systems

The audit of number systems involved reviewing a sample of 90 learner files, and completing testing to ensure the College is compliant with the 2016/17 funding rules published by the Educations and Skills Funding Agency (ESFA). The Auditor informed the committee that a number of exceptions had been identified where the College had not complied with the ESFA rules. He also advised that the exceptions identified had not resulted in any significant errors in the funding being claimed. There were four medium and six low priority issues identified which were highlighted in the report. The auditor advised the committee that these were easily rectifiable and that he would have been more concerned if no exceptions had been found.

There were no further questions.

The committee received the report.

ie. HE Data Returns

The auditor advised the committee that the review focused on HE in FE Student survey for 2016/17. Taking into account the issues identified in the audit, he advised that the Board can take partial assurance that the controls upon which the organisation relies to manage this area are suitably designed and consistently applied and that action is needed to strengthen the control framework to ensure that the area is properly managed.

One high, one medium and one low priority actions had been identified by the audit. The high level requirement which related to data checks with Acquire Learning was no longer applicable as Acquire were no longer working with the College.

The Chair asked if there were any questions. The Chair asked if it were advisable to carry out the same audit next year. This was agreed as a forward action for next year's internal audit.

There were no further questions.

Action – HE data returns to be included in the 17/18 internal Audit.

The committee received the report.

i. f. Internal Audit report follow up 5.16/17

The RSM auditor advised the committee that in their opinion Croydon College had demonstrated good progress in implementing agreed management actions. He advised that one item remained outstanding which related to key financial controls review and that all other actions had been implemented.

There were no further questions.

The committee received the report.

ii. Internal Audit Plan 2017-18

Supporting papers presented by Mike Cheetham, RSM

Mike Cheetham presented the report and informed the Committee that he had noted the action regarding HE data and would add this to the internal audit plan for 2017/18.

The internal Auditor advised that the College needs to nominate a Data Protection Officer, who specifically does not have a vested interest.

It was agreed to return to the plan and confirm specific internal Audit for 2017/18 at the next meeting in the Autumn.

There were no further questions.

**Action – College to nominate a Data Protection Officer
Internal Audit plan to be reviewed at next meeting 7 November 2017**

The committee received the report

<p>5.</p>	<p>External Audit <i>Supporting paper by BDO</i></p> <p>Paul Jagger introduced the External Audit planning report to the Audit Committee for the year ended 31 July 2017. He advised the committee that as part of their assessment of audit risks there were two potential areas of risk being Revenue recognition and Management override.</p> <p>The external auditor highlighted the key items raised in the appendices of the report which were: fees; independence; materiality and timetable.</p> <p>There were no questions raised by those present.</p> <p style="text-align: right;">The committee received the report.</p>
<p>6.</p>	<p>Risk Management <i>Supporting paper presented by the Principal and CEO</i></p> <p>The Committee noted the report and that a further report on OP3: Severe Business Disruption would be brought to the F&R Committee on 13 June.</p> <p>There was a discussion which focused on not mixing remedial action with risk. The principal & CEO advised the committee that the Executive Team and Senior Management Team review risks on a monthly basis.</p> <p>There were no further proposals to the committee.</p> <p style="text-align: right;">The committee received the report.</p>
<p>7/8</p>	<p>Private discussions</p> <p>The Chair asked if there were any items that needed to be raised as Private discussions.</p> <p>No items were raised it was agreed by all present that private discussions were required.</p>
<p>9.</p>	<p>Dates of 2017-18 meetings</p> <p>These were confirmed as: 7 November 2017 6 March 2018 5 June 2018 All meetings would start at 6.00pm</p>
<p>10</p>	<p>Any other business</p> <p>There were no other urgent items of business.</p> <p>The chair noted his concern regarding the decrease in Committee members for the Audit committee and requested if it were possible to co-opt a member from Finance and Resources for a period to cover the recruitment of new members to the committee.</p>

The meeting closed at 7.14pm

Chair signature

Date

Item	Action	Owner	Status
4.i.b	Chair to forward Run, Hide, Tell police messaging to the Principal.	Chair	Complete
4.i.e	HE data returns to be included in the 17/18 internal Audit	DCE	
4.ii	College to nominate a Data Protection Officer	COO	
4.ii	Internal Audit plan to be reviewed at next meeting 7 November 2017	COO	