

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON
WEDNESDAY 7 MARCH 2018 AT 4.00 PM
IN ROOM L8 AT THE ISLE OF WIGHT COLLEGE

Present:

Dr Nick Sinnamon	Chair
Mrs Sheila Paul	
Mr Graham Cooper	Vice Chair
Ms Chris Palmer	Co-opted

In Attendance:

Mrs Debbie Lavin	Principal
Mr Peter Thompson	Assistant Principal
Mr Brian Bowker	Clerk to the Corporation
Ms Karen Shaw	Southern Internal Audit Services

Apologies:

Ms Tracy Bull (not required)

The Chair welcomed Ms Christine Palmer to her first meeting.

ACTION

1/18 DECLARATIONS OF INTEREST

There were no declarations of interest.

2/18 APPROVAL OF THE NON-CONFIDENTIAL MINUTES OF THE MEETING OF 29 NOVEMBER 2017

The minutes were approved as a true record of the meeting.

3/18 MATTERS ARISING FROM THE MEETING OF 29 NOVEMBER 2017

There were no matters arising.

4/18 INTERNAL AUDIT REPORT 2017/18 VISIT 1

The internal audit representative reminded Members that the areas covered by the audit team were estates management, financial planning and safeguarding and each of the areas was given a 'substantial assurance'. She added that this was an unusual occurrence and was an excellent outcome for the College.

A Member asked if the internal auditors were surprised at the positive audit outcomes given the College's challenging circumstances? The internal audit representative said that they were but the College is making good decisions, based on available evidence, in a constantly changing environment. The Chair asked if the estates audit covered CECAMM as well as the main College site and he was informed that it did. The Chair then asked questions regarding College procedures for fire practices and delegation of responsibilities.

A question was then asked regarding safeguarding and whether Prevent was specifically considered. Members noted that it was not but an overall assessment of College safeguarding processes and procedures had been undertaken. A supplementary question was asked about the single central register and the Principal responded,

indicating that there is a comprehensive range of risk assessments to address individual students and groups.

The Committee CONSIDERED the report and RECOMMENDED it to Corporation for approval.

5/18 COLLEGE RISK REGISTER

The Assistant Principal (Finance & Resources) took Members through his report and informed them that at the last significant review of the register, completed in October 2017, and following the production of the new College Strategic Plan (2017/20) six new risks were added to the register. He added that at the same time other risks were consolidated or flagged for removal and the scoring was moderated and adjusted in some instances.

In conclusion, he said that management are conscious of some emerging issues which affect risks as stated in the register and these were identified as apprenticeship recruitment, apprenticeship non-levy funding, restructuring of staffing, revision of the curriculum model and the introduction of T levels.

A number of questions were asked including the response of the Barclays Bank manager to the negative impact of lower apprenticeship recruitment on College funding; the declining student attendance at English and maths classes; concerns regarding apparent increasing staff turnover; the cost and use of the bank overdraft facilities and the £50k figure assigned in the register to a possible data protection breach (where it was suggested this be increased). The Assistant Principal (Finance & Resources) and the Principal provided comprehensive responses to the above questions, to the satisfaction of Members.

The Chair asked the new committee member for her views on the risk register and she stated that it had a very clear layout and provided an effective summary that made it easy to gain an overview of key College risks. However, she queried some of the financial risks and also the impact of where scheduled action had not been achieved by the designated deadlines, particularly the red rated residual risks. The Assistant Principal provided a detailed response.

The internal audit representative stated that there had been significant effort and commitment by the College to develop what was now a very effective Board Assurance framework that will continue to evolve over time.

The Committee CONSIDERED the report.

6/18 THE GENERAL DATA PROTECTION REGULATION (GDPR)

The Chair informed members that prior to the meeting he had spent time with the Assistant Principal (Finance & Resources) to obtain a detailed progress update. He added that the Assistant Principal was delivering a training session the following day for 15 local Island business representatives.

The Assistant Principal then proceeded to explain the action being taken within the College by all relevant heads of teaching and business support areas. He added that this work will be supported by GDPR training for all staff. In conclusion he identified

the main areas of concern that were currently being addressed by the GDPR team. Members stated that they were reassured by how the College was committing to addressing this complex area and the apparent good grasp that the Assistant Principal had on the key issues.

The internal audit representative said that a request had been made by the College to defer the planned business continuity audit in May 2018 for one year and replace it with an audit of GDPR.

The Committee CONSIDERED the report and APPROVED the above change to the 2017/18 audit plan.

7/18 ANNUAL REVIEW OF CONTRACTS

The Assistant Principal (Finance & Resources) presented his report that addressed banking, insurance and legal services.

Members focused on the decision by Barclays Bank to link the College's loans with Lloyds Bank through a "cross-default clause", to the College's daily banking services with Barclays Bank. Following questions, the Assistant Principal clarified that a cross-default clause means that if the College breached the Lloyds' covenants, they would be deemed to have also broken any Barclays covenants that may exist. The implications of this were discussed and it was noted that if the College was required to provide security then to give it early and voluntarily may be more cost effective.

The Committee CONSIDERED the report.

8/18 AUDIT ISSUES LOG

The Assistant Principal (Finance & Resources) took Members through his report and drew attention to the internal audit conclusion that, with the exception of business continuity, all management actions arising from the original audits have been implemented (those relating to medium and high priority actions). The Assistant Principal informed Members that the key priority relates to the business continuity plan but he stressed that the Committee can be reassured that there are localised recovery plans across the College although they have not yet been consolidated into an overall business continuity plan.

A Member asked for confirmation that previous requirements for action are systematically followed up by the internal audit team at subsequent audits and they were reassured that they were.

The Committee CONSIDERED the report.

9/18 DISCUSSION WITH AUDITORS WITHOUT MANAGEMENT PRESENT

No discussion was required.

10/18 REVIEW OF PERFORMANCE OF EXTERNAL AUDIT SERVICE 2016/17 (Confidential minute)

11/18 ANY OTHER BUSINESS

There were no items of any other business.

12/18 DATE OF NEXT MEETING

Wednesday 13 June 2018, 4.00pm – 5.30pm, Room L8.

Date: _____ Chair: _____

MISSION STATEMENT
Putting Students First
Working for Employers
Supporting our Community