

OLDHAM COLLEGE

AUDIT COMMITTEE

Minutes of the Meeting held on 18 June 2020 at 5.00pm

Present:	Katrina Hann	Governor (Chair)
	Jane Shelton	External Member
	Laura Smart	Governor
	Lorna Unwin	Governor
Officers:	Janet Frost	Clerk to the Corporation
	Allan Tyrer	Finance Director
	Debra Woodruff	Vice Principal
	Rebecca Johnson	Asst. Director of Finance
	Patrick Clarke	ICCA
	Daniel Watson	Mazars
	Lee Murphy	IT Services Manager

Apologies:

54/19 Apologies

All members were present at the meeting.

55/19 Meeting of Auditors with Members only (No officers)

The Clerk advised that this item gave the opportunity for members to speak to Auditors with no management present. Members agreed that they had no matters to discuss with the Auditors. It was **RESOLVED** that the members did not currently require a meeting with Auditors without management present.

56/19 Declaration of Conflicts of Interest

None declared.

57/19 Permission for Officers of the Organisation to be Present

It was **RESOLVED** that officers present should remain in the meeting.

58/19 Minutes of the previous meeting held 3 March 2020

The minutes of the meeting held 3 March 2020 had been previously circulated to members for consideration.

It was **RESOLVED** that the minutes of the meeting be approved and signed by the Chair as a correct record of the meeting.

59/19 Matters arising from minutes of the previous meeting

There were no matters arising from the minutes of the 3 March 2020

60/19 Notification of Items of Any Other Business

There were no Items of AOB reported.

61/19 Rolling Action List Update

(i) 3 March 2020 Min 43/19 - GDPR

POD to review timing of staff GDPR training – Reported every two years

It was **RESOLVED** that this action was complete.

(ii) 3 March 2020 Min 46/19 - Curriculum Planning and Efficiency

A report on the HE hours and utilisation rates by course be brought to the next meeting – Report presented to demonstrate the HE hours and utilisation rates. A discussion took place and it was agreed the calculation was complex and members agreed further information be provided outside of the meeting to support the document presented.

It was **RESOLVED** this action was complete.

The Chair sought and obtained approval to a change to the sequence of reporting with Items 10 being taken next on the agenda.

Members approved the change in reporting sequence.

62/19 Programme of Presentations of Individual Risks 2019/20 (Item 9)

The Clerk informed members that at each meeting of the Audit Committee a presentation detailing the risks associated with a College area or activity and how those were mitigated would be delivered to members by a staff member or senior manager from the area/activity. This would form part of the training activity for Governors but be specifically directed at audit members.

Members agreed that the presentations for 2020/21 be confirmed following the strategic meeting of the Audit Committee in September 2020.

It was **RESOLVED** that presentations for 2020/21 be confirmed following the strategic meeting of the Audit Committee in September 2020.

63/19 Presentation: IT Services Operation Plan and Projects (Item 9.1)

Submitted: Presentation by Lee Murphy, IT Services Manager. Copy of presentation circulated to all members.

The Clerk reported that the presentation on the IT services plan was being provided by LM as part of the agreed training sessions to committee members on areas of potential risks and activity on how risks are mitigated.

LM guided members through the detailed presentation highlighting the importance of the need to invest and expand the current IT systems. He informed members that there were a number of operation plans proposed including investment in a new CCTV system and phone system, improvements to the e-mail filter, creation of a VPN hub and investment in a second server room at the UTC building. He added a priority was to invest to ensure blended learning could be delivered efficiently and effectively and this had resulted in a review of the current hardware and software to ensure the college could adapt its teaching and learning practices.

In discussion the following points / questions were raised:-

- A member reflected that the steps already taken by the college to embrace blended learning was particularly pleasing adding the feature in FE Week was pleasing to see.
- A member asked if the college had received government support to fund the chrome books purchased. In reply LM advised that over 300 chrome books had been purchased, £35k additional funding had been received by the College and in some cases the student bursary budget had been used
- What is the longer term strategy to embrace blended learning within the curriculum? The curriculum planning process was already incorporating blended learning into its plans. Whilst Covid 19 has sped up this process, staff and students have embraced the changes. The week planned for July and over the summer will focus on T4D within a blended learning delivery model
- A member asked if the college has used the opportunity to link with local employers to either work with the college or to attract resources, and LM reported that discussions with local employers and suppliers were currently taking place. In addition the College is preparing a bid to the Collaborative Funding Fund in partnership with employers and preparing a bid to the GM College fund.

- A member asked if what the College has done to reduce the risk of cyber-attacks. LM explained the measures that are in place and advised this is a priority for the college and it is currently completing the Cyber Essential Certificate (completion end of July 2020).

The Chair thanked LM for his informative presentation.

Lee Murphy retired from the meeting at 5.37pm

64/19 Internal Audit Assignment Reports (Item 10)

The Internal Audit Assignment Reports had been prepared by ICCA in accordance with the Audit Plan for 2019/20 and all had been previously circulated to members for consideration. In discussion the following reports were considered:-

64/19.1 Capital Project Management Report (Item 10.1)

The Internal Auditor introduced the report and highlighted the scope of the review which had been to provide management and the Audit Committee with an independent assurance opinion to the adequacy and effectiveness of the College's Capital Project Management Arrangements. It was reported that the Internal Audit opinion was the Board could take 'substantial assurance' that the areas of the control environment tested were designed and operating effectively with no significant weaknesses.

There no management actions reported.

The Chair concluded that this was a positive report.

It was **RESOLVED** than the report be received as presented.

64/19.2 HR Training, Development and Succession Planning (Item 10.2)

The Internal Auditor introduced the report and highlighted the scope of the review which had been to provide management and Audit Committee with an independent assurance opinion that the College has adequate and effective systems, processes, and controls in respect of its HR strategy and approach to training, development and succession planning at the main campus and UCO.

It was reported that the Internal Audit opinion was the Board could take 'reasonable assurance' that the areas of the control environment tested were designed and operating effectively with no significant weaknesses.

Three 'low' design management actions had been agreed in the report.

The Chair invited questions and comments relating to the report.

A member observed the regular review of staff profile analysis should include BAME data as well as age and skills

A member observed that the report identified 10 staff currently participating in accredited courses and asked if this number was typical across the sector and whether the 25% contribute may prohibit some staff participating? In reply PC commented that this information was not available and the FD added that the College invests heavily in its CPD for teaching and non teaching with a management development plan in place for all senior managers.

It was **RESOLVED** that the report be received as presented

64/19.3 IT Data Security, Infrastructure and Disaster Recovery (Item 10.3)

The Internal Auditor introduced the report and highlighted the scope of the review which had been to provide management and Audit Committee with an independent assurance opinion that the College has adequate and effective systems, processes, and controls in place 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.

It was reported that the Internal Audit opinion was the Board could take 'substantial assurance' that the areas of the control environment tested were designed and operating effectively with no significant weaknesses.

Three 'low' application/compliance actions and one advisory action had been agreed in the report.

The Chair invited questions and comments relating to the report.

The Internal Auditor advised the audit demonstrated the College had good data security and IT security measures in place compared to other FE college.

A member asked if due to Covid 19 and the timing of the Audit, does a review of some elements of the Audit need to be reconsidered to ensure appropriate security measures are in place e.g. remote access. The FD reported that remote access and Google Classroom were being used prior to Covid 19 and since lock down this has been scaled up with no issues to date.

It was **RESOLVED** that the report be received as presented.

64/19.4 Internal Audit Follow Up Report (Item 10.4)

Deferred to the next meeting.

64/19.5 Internal Audit Plan 2020/21 (Item 10.5)

A copy of the Internal Audit Plan for 2020/21 had previously been circulated to members for consideration and comment.

A detailed discussion took place and the following observations were made by members and management and ICCA agreed to review the plan in light of these:

- Marketing Strategy – bring forward from term 3
- ESFA Funding Audit – move to later in the year
- Student Journey – Blended Learning – move to later in the year.

It was **RESOLVED** the revised Internal Audit Plan for 2020/21 be presented to the next meeting for approval.

65/19 Annual Reports by Other Agencies (Item 11)

None to report.

66/19 External Audit Approach Memorandum and Appointment of Financial Statement Auditors – Mazars (Item 12)

Daniel Watson representing Mazars, the College's current external auditor, circulated a copy of the draft Audit Plan for Oldham College for year ending 31st July 2020 to all members and officers present.

DW drew member's attention to key points in the report and explained that the Audit Plan highlighted the key elements of their proposed audit strategy for the benefit of those charged with governance, as required by the International Standard on Auditing (UK).

The External Auditor drew members attention to section 4 of the report and highlighted significant risks that had been identified and the procedures that have been put in place to test the processes. In addition, the External Auditor clarified the approach to materiality and areas of particular focus in the audit.

Members discussed the report and noted its content as presented.

It was **RESOLVED** that the Audit Strategy Memorandum for Year ending 31 July 2020 be approved by members.

67/19 Risk Management Register (Item 13)

A report detailing the updated Risk Management Register had been prepared by the Finance Director and previously circulated for consideration.

The Finance Director introduced the report, advising the Committee that the key operational risks had been updated and the mitigated scores adjusted to reflect the current position and include an overall risk relating to Covid 19.

Members considered the report and asked what the current high risks were and the FD responded that daily management processes to manage risk are in place. Of particular focus are student number for 2020/21, ESOL recruitment and English and maths, delivering the Capital Project on time and apprenticeships.

It was **RESOLVED** that the Risk Management Register as at June 2020 be accepted.

68/19 Audit Rolling Recommendation Tracking Tool (Item 14)

A report detailing a copy of the Audit Rolling Recommendation Tracking Tool had been prepared by the Assistant Director of Finance and previously circulated to members for consideration. The Assistant Director reported that the tracking system had been developed based on the RAG rated system of reporting and included all recommendations taken from the Internal Audit assignment reports that required implementation by the College.

The Finance Director provided an update on each action that remained RED on the report. The Chair commented the RED actions had been outstanding for a number of months and requested action was taken as soon as possible to complete these. The Finance Director explained the reasons for delay and agreed to improve the position prior to the next meeting. It was **RESOLVED** that members noted the report and progress achieved.

69/19 Post 16 Audit Code of Practice 2019-2020 (Item 15)

Deferred to the next meeting

70/19 Financial Regulations (Item 16)

A copy of the Financial Regulations were presented to members for consideration and comment. The Finance Director reported the Regulations were presented with no changes. It was **RESOLVED** that members received and approved the Financial Regulations as presented.

71/19 Use of Consultants (Item 17)

The Finance Director reported the use of consultants since the previous meetings and members noted the details.

It was **RESOLVED** that members noted the report.

72/19 Workplan 2019/20 and Commentary on Deviation and Terms of Reference (Item 18)

A copy of the Workplan for 2019/20 including changes to the reporting sequence for the current meeting was presented to members for consideration. Members noted the amendments. A copy of the committee Terms of Reference were presented with no changes since the previous version. It was agreed that consideration be given to the Post 16 Audit Code of Practice once published to ensure any changes to the report are reflected in the Committee Terms of Reference

It was **RESOLVED** that:-

- (i) members noted the report as presented
- (ii) approved the Terms of Reference as presented.

73/19 Items of Any Other Business (Item 19)

There were no Items of AOB.

74/19 Dates of meeting for 2020/21

To be agreed

The meeting finished at 6.45pm

Minutes Approved: Date:

Chair

Rolling Action List – Audit Committee 18 June 2020

Meeting Date & Item No.	Rolling Action List (Outstanding actions from previous meeting(s) to be carried forward, listed below, and not removed until completed/closed.)	Actionee	Reported as Completed at meeting of
03 03 20 Min 43/19	GDPR POD to review timing of staff GDPR training	A Tyrer/POD	18 06 20 Min 61/19.1
03 03 20 Min 46/19 18 06 20 Min 61/19.2	Curriculum Planning and Efficiency A report on the HE hours and utilisation rates by course be brought to the next meeting.	A Tyrer	18 06 20 Min 61/19.2