

VARNDEAN COLLEGE

MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON

FRIDAY 10th MARCH 2023 at 10.15 am - ONLINE via Google Meets (Part I)

Present - Paul Herridge, John O'Sullivan, Alan Walker (Chair), Brendan Ward

In Attendance - Elaine French (Vice-Principal Resources), Donna-Marie Janson (Principal), James Gordon (Deputy Principal), Emma Cotton (minutes)

Apologies - Richard Seager (login issues)

Apologies for absence - as above

Declaration of interests - none

Minutes of the meeting on 24th November 2022

The minutes were approved by the Committee and the Chair authorised to sign them.

ACTION: Louise Pennington / EMC

The various actions from the draft minutes were noted:

- Bottom of p.2 reference draft financial committee minutes shared with Audit. It was confirmed they were circulated to Committee members December 2022. It was also confirmed that the draft Autumn Term Finance Committee minutes would be circulated annually.

Discussion about assurance.

(NB Reference reminder: ToR and rules and regulations which Colleges have in relation to the Audit Committee's responsibilities including the Audit Code of Practice (ACOP), accounts directions and ESFA Funding Agreement and other guidance.)

- Amendment: p.6 focused 'solely' on IT -
ACTION: LEP to amend November Minutes before signing off by Chair
- Minor typo p.8. Following should be "followed" (Scott McCredy ref) -
ACTION: LEP to amend November Minutes before signing off by Chair
- Item 11. Discussion about fraud issues nationally. -
ACTION: ELF to ask Mazars for any information re National issues.

Matters arising

a) Action Points – progress report - all actions reviewed

Action Points discussed, reviewed and updated here and in the previous item.

b) Rolling Action Plan- Update on Internal and External Audit Recommendations

Spring 2023 action plan - ELF summarised the latest update. Report will follow in the next meeting.

Risk Management

- a) **Summary Sheet**
- b) **Risk Register & Action Plan**
- c) **Assurance Map**

ELF introduced the papers and confirmed that the Finance Committee next week will be looking at Finances for next year. Demographics will be built in. Risk F1 will then come back to Audit, via Corporation for closer review in the next meeting.

ELF drew attention to various risks within the risk register.

The Committee asked about HR2 and staff morale and if there was anything further we can do to move the assurance from Med to High or whether they are two issues outside our control.

DM shared that they are looking at staff morale but hyper-inflation/cost of living were out of our control.

MA1. The Committee asked about the table top exercise reference in MA1 and the Critical Incident Plan. DM confirmed this was going ahead between Easter and half term. The committee asked how it will then be embedded. DM confirmed that this is being reviewed and operational aspects being updated.

MA7. The Committee also discussed MA7 - IT systems - moderately likely/severe/high - is there anything further we can do to reduce the risk factor.

JAG noted that there are lots of controls in place. Cyber Essentials being worked on. Inherent risk all the time. Other local colleges have suffered. We have followed advice but a fast moving environment. To be completely secure is hard for us to guarantee. Keeping it a medium is probably best.

The Committee asked if other colleges shared their key findings when they experienced a cyber attack.

JAG confirmed that this is the case as part of our S7 network. MIS Managers and Heads of IT meet regularly. National organisations share best practice that we are following. As a SLT we have to question anything that is impactful on student experience. Multi Factor Authentication is challenging for guests and students but necessary.

HR1 was discussed and noted as a national problem.

The Committee asked if we were using Internal auditors to assess our highest risks which DM confirmed.

ELF noted that when the assurance plan is being done, the auditors ask for our updated risk register.

Performance Indicators – External Auditors

Overall grading (item 13) to be agreed.

In summary, ELF felt the auditors were very good and good value for money. Reference looking at funding in more detail. Fees are competitive.

ACTION: ELF will suggest that they consider the rotation of audit partner (best practice)

The Committee asked about fees for 2023. ELF confirmed they will be included in the next meeting. Information available after Easter

DECISION: The Committee approved the rating for item 13 as HIGH

Policies and Other Documents

a) Data Protection Annual Report

ELF updated that this is the first ever data protection annual report and will be on a calendar basis. ELF took the committee through the report.

In Future developments, ELF noted that the outcomes will be in next year's report

The Committee thanked ELF for her work on this.

The Committee asked where breaches go once they have come to ELF and she explained that they go to SLT.

The Committee asked how any learnings are passed through the organisation and ELF explained that this was part of the process and what happens next ie talking to teams; advice to avoid repeat; and added to training schedule to flat up and remind staff.

Fraud Report – owing to the confidential nature of the business, it was resolved to transfer the record to Part II minutes.

Date of next meeting – Thursday 15th June 2023 at 10.15 am - agreed.

Any Other Business

No other business.

Encl. Terms of Reference

The Committee requested that this item move from item 10 to a separate line for information/reference. **ACTION: EMC**

No other changes recorded

Chair.....Date.....

Emma Cotton 10/03/23