



AUDIT COMMITTEE

WEDNESDAY 4 OCTOBER 2017

Report: Minutes of the meeting held on Wednesday 21 June 2017
Author: Clerk
Action: Approve
Status: Open

Present: Chris Macklin (Chair)
Darren Heathcote
Neil Weddle

In attendance: Judith Doyle (Principal)
John Holt (Deputy Principal: Operations / Finance Director)
Claire Leece (RSM – External Audit)
Emily Hudson (PWC – Internal Audit)
Karen Finlayson (PWC – Internal Audit)
Sally Cooper (Clerk)

A/619 Welcome / Apologies / Conflicts of Interest

The Chair welcomed all to the meeting. Apologies were received from Robert Auty, Chris Barrett and Suzanne Clark.

Members were invited to declare any interests on any item on the Agenda. No interests were declared at this stage in the meeting; however, members noted that should the direction of debate on any item result in a potential conflict of interest, this should be indicated in the meeting.

A/620 Minutes of the last meeting dated 15 February 2017

The minutes of the Audit Committee meeting held on 15 February 2017 were agreed as a correct record.

A/621 Matters arising

There were no matters arising.

A/622 External Audit Plan

The report was presented by the Claire Leece (RSM) as external auditor.

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The reports were noted.

A/623 Progress report to the Audit Committee

The report was presented by Karen Finlayson (PWC) as internal auditor.

The Committee were advised that following the discussion at this meeting, a draft plan for the following year's internal audit would be presented at the next Audit Committee Meeting in the new academic year. Following preliminary conversations, suggested topics for the following year's audit plan included financial systems and controls, information governance follow-up, funding data and the apprenticeship levy and human resources (eg end to end processes, talent retention, starters and leavers, succession planning, diversity and inclusion). It was noted that the Chair of the People Committee may be interested in the Human Resources Audit so the Chair of the People Committee should be informed of this proposed review so that any specific content she wished to cover could be included.

Other suggested topics for the audit plan were quality and performance, and marketing and communications. In relation to marketing and communications, the Committee noted the growing impact of social media on the external perception of the College and a member suggested that it may be worthwhile to undertake an independent review of how the College is perceived on social media, to inform whether the College's marketing is doing what the College believes it to be doing. The Committee noted that a good and tactical proposed scope of review had been presented.

In response to a question from the Chair about cyber security, the internal auditor advised that a range of testing and training could be carried out in this regard, including simulating a cyber-attack and seeing how the College responded to it. It was observed that obsolete accounts and failing to update access were some of the biggest potential threats to cyber security. In addition, cyber teams could also carry out workshops with various teams and the Board if that were considered worthwhile.

Action: PWC to formulate a draft audit plan to be presented at the next Committee meeting.

The report was noted

A/624 GDPR Summary Paper

The report was presented by Karen Finlayson (PWC) as internal auditor.

The Committee were advised that a key change to be imposed by the GDPR would be the right to be forgotten, as organisations would be permitted to hold and use data for its intended purposes and then would be required to remove it from their systems. The Committee were also advised that, as spot checks were likely to increase by Regulators, adequate and appropriate policies and procedures would need to be in place. A key risk was identified as individuals keeping their own data sets and databases on individual laptops and devices instead of on centralised systems.

The internal auditor confirmed that the document could be circulated to other members of the College.

The report was noted.

A/625 IT Security (Follow-Up) Report

The report was presented by Emily Hudson (PWC) as internal auditor.

The Chair commented on the clear style of the report and the ease with which the findings could be compared with the summary of the outcomes of the previous year's assessment.

The Chair asked the Finance Director to pass on the Committee's thanks to Helen and Martin, who were responsible for successfully implementing the new regime following the previous IT security review.

The report was noted.

A/626 Safeguarding Report

The report was presented by Emily Hudson (PWC) as internal auditor.

The Chair advised that, as some of the recommendations in the report related to HR systems, a copy of the report should be sent to Emily Cox as Chair of the People Committee.

The Principal noted that the responsible manager in the report was in fact Paul Campbell as opposed to Mark Thompson and the Committee was advised that an updated version of the report containing this amendment had been provided to the College.

Action, report to be forwarded to Chair of the People Committee.

The report was noted.

A/627 Update on Previous Recommendations

The report was presented by the Deputy Principal: Operations / Finance Director.

The Committee noted the good progress that had been made in relation to the recommendations and noted that the two recommendations which remained in progress had future target completion dates so should not be seen as areas of concern.

The report was noted.

A/628 Risk Management Plan

The report was presented by the Deputy Principal: Operations / Finance Director

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The report was noted.

A/629 Any other business

The Chair advised the Committee that from the 1 June, he had taken up the role as Chair of the Audit Committee for Sunderland NHS CCG and the conflicts register should be updated accordingly.

The Staff Governor advised that he had put his name forward for re-election at the upcoming Staff Governor Elections.

A/630 Date of next meeting

The date of the next meeting is to be confirmed.