

## The Henley College Corporation

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<b>MINUTES of the Meeting of the Audit Committee held on Monday 9 November 2020 at 10.00 via remote participation</b>		
<b>Members Present:</b> Brian Fennelly Dr Tim Lincoln Tony Sanderson  <b>In attendance:</b> Debbie Lindsley Ashok Patel Shachi Blakemore Dakshita Takodora Jacky Gearey	Independent Member/Chair Independent Member Co-opted  Finance Manager Director of Finance (DoF) Buzzacott TIAA Ltd Clerk	
Agenda Item	Minutes	Action by
1.1	<b>Opening of meeting</b> The meeting opened at 10.03	
1.2	<b>Apologies for Absence</b> 1. Mohammed Khaliel	
1.3	<b>Declaration of Interests</b> There were no declarations of interest.	
1.4	<b>Election of Chair</b> The committee Brian Fennelly as Chair of the committee. <b>Resolved that Brian Fennelly was elected as Chair of the Audit committee</b>	
1.5	<b>Minutes of Previous Meeting</b> The minutes of the meeting 20 June 2020 were approved as an accurate record of the meeting and signed by the Chair.  <b>Resolved that: the Committee agreed that the Minutes were an accurate record of the meeting of 20 June 2020 and to be signed by the Chair.</b>	
1.6	<b>Matters Arising from Previous Meetings</b>  There were no matters arising.	
1.7	<b>Financial Statements - External Auditors</b> – Statutory Accounts as prepared by the College and audited by Buzzacott Shachi Blakemore from Buzzacott went through the Post Audit Management Report and Financial Statements both for 2019/20. The Report provides assurance regarding the accuracy of the Report and Financial Statements from the Financial Statements Audit and the Regularity Audit. Subject to some commentary changes on the Financial Statements, the ESFA will issue a final reconciliation of funding end of November. The following points were highlighted from the Audit Report and then the Financial Statements: 1. Clearance meeting - audit went well with substantial work undertaken remotely and auditors wished to thank both the FD and Debbie Lindsley for all their help over such trying times. 2. Confirmed as a clean audit – one piece of outstanding work is the going concern review will go up to December. 3. Posted a 75k deficit due to pension adjustments, the surplus prior to the pension adjustments of 478k was due in part to Covid as some costs had not been incurred e.g. facilities. The only loss of income was through rental income through properties and some postponements to IT/MIS purchases that occurred in August/September.	

## The Henley College Corporation

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4. One finding concerned sign off of journal reviews – backlog of sign offs due to IT virus and coronavirus lockdown but have already implemented controls to ensure future compliance.
5. College graded as outstanding for year ending 31 July 2020 and as benchmarked against other sixth form colleges.
6. Going concern - the College has appeared to recruit well in terms of students for the academic year 20/21, accordingly the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

The Chair asked for any questions:

1. Adjustments about underlying performance and how it was treated – FD said reference to 'underlying' performance is to disclose a position without exceptional items, such as pension valuation adjustments. Buzzcott also advised that for this year the government has offered a TPS grant to all colleges, which offsets the additional cost incurred by the College for the teachers' pension fund.
2. Page 10 - future developments – statement that college is recognised as Leaders in Learning – what evidence was provided to endorse this statement. FD provided examples, for example the College's delivery of remote learning during lockdown, but said he would provide further examples and information on this if required. In addition, one committee member and the external auditor said that this was an opinion that the Board could make.
3. Page 11 - reputation excellent both locally and nationally – where was the evidence for this statement. FD said that the Corporation had acknowledge there were students who have gone onto great things outside the college. There followed a discussion on this, and it was felt that this statement should not be modified as it was not giving an indemnity to the world but providing a statement of pride and that it was a fair claim to make.
4. Page 19 - Jeni Wood — annotated to have resigned 26 September 2019 during her second term of office. FD to action change.
5. Risk Register – plan to mitigate government funding, FD advised that the best way is to improve the reserves of the college and that the 16-18 provision will continue to be a government priority but that the adult funding will be more at risk. However, as there was no adult education provision at the college, the college was not at risk. The FD also advised that diversifying income can carry its own risks but this was to be discussed by the SLT and that FD will come back with a plan on this.
6. IT systems – TIAA confirmed that within their audit they would be checking the controls and extending the sampling for the committee to be reassured with this, however no further work would be done as this was not within their remit. There were no recommendations.

In summary Buzzacott said that the area was perhaps still in a demographic dip but had found a way to recruit more students and that it had a decent level of reserves and cash balances.

Letter of Representation - this was a standard document as presented and was to go to the Corporation for signature. The committee approved this document.

Committee wanted to commend the financial team and FD on their sterling work and said the financial results were to be proud of.

Shachi Blakemore left the meeting 10.35

**Resolved that:**

- (i) The Draft Report and Financial Statements 2019/20 were received by the committee**
- (ii) Post Audit Management Report 2019/2020 was received by the committee and that it be recommended to the Corporation for approval.**
- (iii) The Letter of Representation was received by the committee and that it be recommended**

## The Henley College Corporation

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	<p style="text-align: center;"><b>to the Corporation for approval and signature by the Chair</b></p> <p><b>(iv) FD to action change of governor in post reported in Financial Statements Page 19</b></p> <p><b>(v) FD to report back to committee with plan on the risks of diversifying income</b></p>	FD FD
1.8	<p><b>Internal Audit Plan for 2020/21</b></p> <p>The Chair asked that the Review of ICT – Data Assurance GDPR report be taken as read. TIAA advised that the audit had provided reasonable assurance and that there were two recommendations at level 2:</p> <ol style="list-style-type: none"> <li>1. Data Sharing Agreements – see below</li> <li>2. List of key data held by college - to be revised onto the GDPR strategy document</li> </ol> <p><b>Data Sharing Agreements</b> – there are no residual concerns albeit the recommendation was that these agreements be put in place with any party the college routinely shares personal data with or transfers large quantities of data to, and the agreements be regularly reviewed to ensure they still reflect the current needs of the college and remain compliant with data protection/GDPR legislation. The FD confirmed that the privacy policy allows that to happen and that every policy now links with GDPR.</p> <p>Committee asked about use of the word “routinely” and its ambiguity. FD said that the college tries not to share data unless it has to and that controls would always be in place. FD said that this word would be clarified and the change made.</p> <p>Committee asked about the noted actions – FD confirmed what needed to be done and that the auditors will come back and do a follow up report.</p> <p>The Audit Committee had already approved a 3 year strategy for internal audit and 2019/20 was the first year of that plan. The FD said that the College has good internal control systems and that previous internal and external audit outcomes have confirmed this.</p> <p>The recommendation for 2020-2021 was for the following:</p> <ol style="list-style-type: none"> <li>1. Performance management – the committee asked to include how staff are supported looking at Covid</li> <li>2. Safeguarding – looking at student wellbeing</li> <li>3. IT - Cyber</li> </ol> <p>Covid - the committee asked if the forthcoming audits would be able to be completed remotely referring to Covid and IT and FD said that he was confident that this could be done. Regarding the additional Covid element the FD said that the college was very mindful of this but was not sure if there was a specific area that auditors would look at. TIAA however confirmed that Covid would be looked at in particular the risk management and how this is being addressed which would include staff wellbeing.</p> <p>Regarding IT and Cyber – TIAA confirmed that this audit will be scoped looking at the strengthening controls and maturity assessment setting out where the gaps are and this will depend on the planning stage which is key to adding value.</p> <p><b>Resolved that:</b></p> <ol style="list-style-type: none"> <li>(i) <b>The GDPR internal audit report was received by the committee</b></li> <li>(ii) <b>FD to clarify word “routinely” and incorporate this into the Data Sharing Agreements</b></li> <li>(iii) <b>The Annual Internal Audit Report for 2019/20 was received by the committee</b></li> </ol> <p>Dakshita Takodora left meeting at 10.56</p>	FD
1.9	<p><b>Risk Management</b></p> <p><b>Review SLT Risk Management Group (RMG) minutes</b> – group met on 15 October 2020 and was attended by the Principal. The meeting considered and agreed that its approach to measuring and assessing risk remains relevant to the more streamlined and simplified process agreed in 2019 and provides reassurance that risk processes are being managed. The group had asked each lead from the key areas of risk to update the register resulting in some new risks being identified and the mitigation actions taken to reduce or manage the overall</p>	

## The Henley College Corporation

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	<p>headline risks. The key items for discussion were the impact of the current Coronavirus and the cyber-attack on the College. In terms of the other risks associated with the College, it was clear that the key categories of risk identified at the offset in 2019 are still in need of monitoring. For reassurance the FD advised that the College had recently enhanced its security concerning the cyber-virus attack and has in place 24/7 oversight of activity around its network and email filtering and backup systems have also been upgraded.</p> <p><b>Updated Risk Register</b> The register operates through a RAG scoring system. The group worked through each risk, there were and would always be some red risks which were identified as:</p> <ul style="list-style-type: none"> <li>• <b>Safeguarding</b> e.g. young rugby students – FD advised that the college is developing a supporting solution because of the requirement for these students to staying away from home in offsite accommodation. The committee asked if the group was all boys. FD confirmed that they are but that in the future girls may be included.</li> <li>• <b>Health &amp; Safety</b> – FD advised that the HSS Manager was managing the risks with external contractors on site.</li> <li>• <b>Covid</b> – FD reassured the committee that the requirements to mitigate the effects were constantly being reviewed, that lessons were being delivered and that student engagement was good. The committee asked whether this was anecdotal or evidence based. FD confirmed that this was all evidence based.</li> <li>• <b>Recruitment of students</b> – the numbers had increased through an improved marketing campaign and changes to the curriculum. Although at the bottom of the demographic dip, the uptake has occurred slightly in advance of the projected upturn due to the new sporting provision intake of rugby students</li> <li>• <b>Cyber attack</b> – levels of controls have now been put in place and being regularly monitored by the vendors with weekly meetings. Committee asked if they have picked up on any significant issues and FD said no however there were a lot of attacks in public sector organisations, especially in the HE/University Sector.</li> </ul> <p>Committee commended the structure with simple structure and scoring and was reassuring as it is a live document.</p> <p><b>Review of Risk Management Policy</b> – FD confirmed that there had been no changes and was within the 3 year cycle agreed at the meeting in November 2019.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) <b>The SLT Risk Management Group minutes were received by the committee</b></li> <li>(ii) <b>The updated Risk Register was received by the committee</b></li> <li>(iii) <b>The Risk Management Policy was received</b></li> </ul>	
1.10	<p><b>Annual Report of the Audit Committee</b> The report summarised the work of the Audit Committee during the last academic year, in ensuring that than an adequate program of assurance is in place at the College with respect to financial controls and reporting. The Chair had reviewed the report, which covered 1 August 2019 – 31 July 2020 and the committee approved the report as presented.</p> <p>The committee members wanted to record their thanks to the college SLT for all their work and asked for this to be added to the report.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) <b>Annual Report of the Audit Committee was received by the committee</b></li> <li>(ii) <b>Clerk to record the audit committee’s thanks in the Annual Report to the college SLT for all their work.</b></li> <li>(iii) <b>Annual Report of the Audit Committee to be recommended to the Corporation for approval</b></li> </ul>	Clerk
1.11	<b>Health &amp; Safety</b>	

## The Henley College Corporation

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	<p>(i) Review &amp; approval of Health &amp; Safety Policy - there were no amendments and therefore the policy was approved.</p> <p>(ii) Health &amp; Safety Statement - approved</p> <p>(iii) Annual Health &amp; Safety Report – HSS went through the work of the Health &amp; Safety Group over the past academic year. Covid has meant a lot of expenses e.g employment of a janitor, masks and sanitisers. Risk assessment had been compliant with all government guidelines and Public Health England.</p> <p>Committee asked about the amount of information and ambiguity of some of this information and whether the estates team was happy with this? H&amp;S Manager reassured the committee that the college had gone above the requirements mandated, including making the wearing of face masks throughout the college mandatory to reduce student and staff anxiety and that the college's security guard reminded the students of this. Further to a recent European report on ventilation provision in educational environments, the committee asked about the ventilation provision, the people at risk in this environment namely teachers and time students spent in the classrooms. H&amp;S Manager explained that all classroom doors and windows are kept open to increase air circulation, that lessons are kept to under an hour and then students have a break from the classroom environment and that additional lessons under an hour and that blended learning is being looked at.</p> <p>Committee wanted to commend the H&amp;S Manager and his team for their exceptional work over a very challenging time.</p> <p><b>Resolved that:</b></p> <p>(i) <b>the Health &amp; Safety Policy was reviewed by the committee and recommended to the Corporation for approval and the Health &amp; Safety Policy Statement be signed by the Chair of Corporation</b></p> <p>(ii) <b>the Health &amp; Safety and Security Annual Report was received by the committee to be recommended to the Corporation for approval.</b></p>	
1.12	<p><b>GDPR Update</b> The verbal update from the DoF confirmed that:</p> <p>(i) <b>Freedom of Information Requests</b> –There had been no freedom of information requests (apart from marketing requests) nor any data subject access requests over this academic year 2020-2021 so far.</p> <p><b>Resolved that:</b></p> <p>(i) <b>The GDPR Update was received by the committee</b></p>	
1.13	<p><b>Annual Fraud Assessment</b> The report identifies those areas of the College's activities at risk of fraud and lists the controls and risk levels for each area. The report was presented to the committee for information and there were no issues.</p> <p><b>Resolved that the report on the Annual Assessment of Fraud was received by the committee</b></p>	
1.14	<p><b>Notification of any concerns (e.g. Fraud, Whistleblowing)</b> FD confirmed that there were no concerns.</p> <p><b>Resolved that there has been no notification of fraud or Whistleblowing within the college</b></p>	
1.15	<p><b>Any Other Business</b> Committee self-evaluation comments were noted and the Chair said that he would welcome any feedback to him offline.</p> <p>There was no other business.</p>	

## The Henley College Corporation

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1.16	<b>Items to be taken forward to next Corporation Meeting:</b> (i) Letter of Representation (ii) Post Audit Management Report (iii) Health & Safety Policy and Statement	Clerk
1.17	<b>Date and Time of Next Meetings:</b> 1. 15 March 2021 at 14.00 2. 21 June 2021 at 14.00	
	<b>Meeting Closure</b> The meeting closed at 11.55.	
	MINUTES of the meeting held on <b>Monday 9 November 2020</b> were agreed and accepted as a true and accurate record and signed by the Chair  ..... on .....	