

The Henley College Corporation

MINUTES of the Meeting of the Audit Committee held on Monday 6 June 2022 at 10.00 via remote participation

Members Present: Brian Fennelly Dr Tim Lincoln Tony Sanderson In attendance: Mark Griggs Dakshita Takodra Nick Inglis Jim McCaffney Jacky Gearey	Independent Member/Chair Independent Member Co-opted Finance & Resource Controller (FRC) for items 3.3, 3.5 and 3.7 TIAA Ltd for item 3.4 Head of IT for items 3.5 and 3.7 Health & Safety and Security Manager (HSS) for item 3.6 Clerk	
	Agenda Items	Action by
	Opening of meeting The meeting opened at 10.07	
	Apologies for Absence 1. Chris Murray – meeting 2. Eamonn Egan - meeting There were no other apologies.	
	Declaration of Interests There were no declarations of interest.	
3.1	Minutes of Previous Meeting (i) The minutes of the meeting the 15 March 2022 The committee agreed that the minutes of the meeting 15 March 2022 were an accurate record of the meeting held. Resolved that the Committee agreed that the minutes of 15 March 2022 were an accurate record of the meeting held	
3.2	Matters Arising from Previous Meetings Item 1.4 - GDPR breaches – TIAA confirmed that there were no GDPR fines for colleges 2021-22 so far. Item 1.4 - Disaster Recovery Plan – covered under 3.7. Referred to at the last meeting, the Chair asked for an update on the capacity of HR in light of the increasing difficulties of staff recruitment. FRC reassured the committee that the College was in the process of recruiting an HR Director to mitigate this. All other matters arising from the previous meeting had been closed and there were no further issues.	
3.3	External Audit The strategic strategy prepared by Buzzacott, was presented by the FRC and covered the financial statements audit 21/22, regularity assurance for the College's income and expenditure 21/22 and the teachers' pension scheme with the timelines for the external audit process outlined. The strategy highlighted that the College was in a strong financial position and anticipated a surplus for 2021/22, in part due to the	

The Henley College Corporation

	<p>additional income from in-year growth funding which was not predicted when the budget was drawn up. Additionally the cost of living crisis and unprecedented increases in fuel bills will impact the College's cost base going forward which will need to be factored into the 2023 budget setting process and considered as part of the overall going concern assessment of the College including any associated disclosures in the financial statements.</p> <p>For the regularity assurance the auditors will review the reports prepared by internal auditors and other consultants during the year and review the College's completed regularity self-assessment questionnaire. The findings will inform the risk assessment of the control environment at the College as well as feed into the overall regularity assurance opinion.</p> <p>The Chair asked for any comments. There were none.</p> <p>Tony Sanderson joined the meeting at 10.19</p> <p>Resolved that the External Audit Strategy was received and noted by the committee</p>	
3.4	<p>Internal Audit Plan for 2022-2023</p> <p>Dakshita Takodra from TIAA advised the committee that TIAA had completed the three-year plan agreed by the Audit committee, plus one year of the allowable extended period. Under the terms of the agreement, the College is able to extend the contract period for a further year which the committee had agreed to and therefore the plan for 2022-23 was presented albeit years 23-24 and 24-25 were also discussed. The FRC said that the College had developed, with support from TIAA, good internal control systems and previous internal and external audit outcomes had confirmed this, and that any extension was fully supported by the SLT.</p> <p>The Chair and committee asked about the cyclical nature of the plan being presented. Dakshita Takodra explained that the risk register was always reviewed, and that the health check programme on subject areas presented, highlighted the process of a balance of risk and assurance i.e. the lead was taken from the risk register and that business assurance was provided where needed.</p> <p>There followed a robust discussion about the profile of work to be undertaken with the committee expressing concern that it was all risk focussed and that there was nothing in the plan regarding making the College more efficient and financially effective. The committee cited the following examples that should be considered going forward i.e. strategic controls regarding use of premises and exploiting income opportunities for apprenticeships. The committee asked about safeguarding audits and whether prevent issues were included with TIAA confirming that there would be scope for this to be added. Additionally the committee noted that with reference to any health and safety (HS) audits, an internal audit would place reliance upon the mandated external controls/checks/certification carried out by subject matter experts and for reassurance the HSS said that there were no HS issues at the College.</p> <p>Looking at ahead at 2024-25, the Chair was concerned that it was not prudent for the internal audit on key financial controls to be left so late as so much could change within the next 3 years and there followed a robust discussion on this and that this needed to be brought forward.</p> <p>In summary the Chair and committee felt that a more strategic review in a number of areas discussed was needed and therefore the three year plan had to be revised with the key financial controls audit to be brought forward.</p> <p>Dakshita Takodra confirmed that this was currently only a draft outline plan and that it would be amended after speaking to the FRC and SLT with a revised plan to be</p>	

The Henley College Corporation

	<p>approved at the next meeting. The Chair asked that this be put on the next Board agenda for information and FRC to provide an update at that time. The committee agreed that as TIAA's re-appointment would need to be reviewed for 2023-24 and 24-25 this would be brought back to the committee in the next academic year.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the internal audit plan for 3 year was received and noted by the committee (ii) the internal audit plan for 2022-23 to be revised and resubmitted at the next meeting in November (iii) subject to reappointment of the TIAA as the Internal Auditors in the next academic year, the 2023-24 and 2024-25 plans to be revised (iv) Internal audit plan to be on the Board agenda 11 July with update provided by FRC 	
3.5	<p>Risk Management</p> <p>The Risk Management Group met on 18 May 2022 to review the risk register and revise it where necessary. The various areas were addressed and there were some amendments but there were no RAG rating changes made since the last meeting. The register was presented for noting. The Head of IT reassured the committee that there a number of improvements had been implemented on the IT side including software for safeguarding and the accreditation for cyber essentials which would be sent to Jisc for comments before final submission.</p> <p>The Chair was concerned that that the invite had been sent to him on the day of the meeting which meant he was unable to attend and asked that the Clerk check with the Principal's PA regarding this.</p> <p>The Chair thanked the FRC for the update.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the Risk Register was received and noted by the committee (ii) Clerk to speak to Principal's PA regarding Chair's invite to Risk management Group meeting 	
3.6	<p>Health & Safety Report</p> <p>HSS advised that safeguarding although not mentioned on this report would be added going forward. The Chair and committee agreed that this should be covered. In summary the .</p> <p>The HSS highlighted the following points:</p> <ol style="list-style-type: none"> 1. tree surveys were undertaken to decide what remedial work was required at the Rotherfield site 2. roof repairs due to leaks 3. fire evacuation systems had been serviced and drills to be done after the exams to reduce risk of Covid spread 4. D5 refurbishment for T levels is underway with a finish date planned for mid-June. <p>There were no questions. The Chair thanked the HSS Manager and his team for all their work over a very challenging year.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) Report on Health & Safety was received and noted by the committee (ii) HSS to add safeguarding to the committee report going forward 	

The Henley College Corporation

3.7	<p>GDPR Update FRC said that there had been no new FOI requests. Head of IT raised the issue of the use of personal email accounts which included governors. As the College was applying for cyber essentials accreditation, the use of private emails had to cease with the explanation that allowing staff and governors to continue to do so for college business, posed serious risks of IP theft, loss of college privacy and possibly data, and disruption of network operations due to exploits which can be implemented on computers not secured by the College's internal policies. There followed a lively discussion regarding the scope of this including how this affected the external and internal auditors, although it was reaffirmed that there were no issues as they were covered under contract. The Chair felt that as this was of vital importance that this should be raised at the next board meeting so that all governors were aware of the risks posed in continuing to use their own emails. In addition the Head of IT was asked to produce a brief paper on this for presentation to the Board.</p> <p>Disaster Recovery Plan FRC presented an initial draft document which outlined the approach being recommended to identify those key disasters that could possibly happen in a sixth form college and how the College would effectively respond and provide guidance to follow should an incident happen. This document which had still to be signed off, was much more streamlined and user friendly, was a replacement to one that had been previously in existence. The committee expressed disappointment that not only had this not been put in place despite assurances at the previous meeting that there was to be a rehearsal after Easter. The committee further emphasised the expectation that this plan was to be regularly updated and reviewed robustly and that it was essential that the plan was signed off and a sense testing undertaken before the next audit meeting.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the GDPR update was received and noted by the committee (ii) Head of IT to provide a brief report regarding GDPR compliance re emails (iii) the Disaster Recovery Plan was received and noted by the committee (iv) The Disaster Recovery Plan to be signed off and sense tested before the next audit meeting 	
3.8	<p>Review of Plan of Business and Terms of Reference The standing agenda is the annual cycle of business with one change that under each meeting, the addition of "notification of any concerns (e.g. fraud, whistleblowing)".</p> <p>The Terms of Reference had very minor changes under the following:</p> <ul style="list-style-type: none"> (i) Quorum – 3 members (40% of the membership would be two members and that was felt to be too low) (ii) In Attendance - replace Director of Finance with Finance & Resource Controller - add IT Manager <p>The committee agreed the changed.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) Plan of Business was received and approved by the committee (ii) Terms of Reference were received and recommended to the Board for approval 	
3.9	Committee self-assessment	

The Henley College Corporation

	<p>The committee self-assessment was presented, and the Chair asked that this be completed within the next two weeks and sent to the Clerk.</p> <p>Resolved that the Committee self-assessment was received by the committee and to be returned to the Clerk by 16 June 2022.</p>	
3.10	<p>Any Other Business</p> <p>Tony Sanderson advised that he would be standing down from the committee and the Chair and committee thanked him for his wise counsel and being extremely supportive and that the would be missed.</p> <p>There was no other business.</p>	
3.11	<p>Items to be taken forward to next Corporation Meeting:</p> <ul style="list-style-type: none"> (i) Internal Audit Plan (ii) Risk Register (iii) Audit Terms of Reference (iv) Cyber Essentials Accreditation - emails 	Clerk
3.10	<p>Date and Time of Next Meetings:</p> <ul style="list-style-type: none"> 1. 7 November 2022 at 10.00 	
	<p>Meeting Closure</p> <p>The meeting closed at 11.43</p>	