



**Minutes of the Meeting of the Audit Committee
held on Monday 18 March 2019**

Present: - Mr Mike Rookes (Chair)
Mrs Alison McLean
Ms Katie Seekings
Mr Graham Briscoe (Co-opted Member)
Ms Emma Lewis (Co-opted Member)

In attendance: - Mr Tim Williams (Finance Director)
Miss Jane Simons (College Accountant)
Mrs Linda Watkins (Clerk to the Governors)
Ms Abigail Appleton (Principal)
Ms Laura Goodwin (RSM)

The meeting was quorate as five members of the Audit Committee were present; The Chair welcomed Emma Lewis; introductions followed.

1. Apologies for Absence
No apologies

2. Declarations of Interest
None declared

3. I. Minutes of the Last Meeting
Alison McLean, as chair of the last meeting, signed the minutes of the meeting held on 3 December 2018 as a true record.

II. Matters arising from the Minutes of the Last Meeting

- A. RSM had a useful webinar about GDPR which would be shared with all Governors. **ACTION: CLERK TO THE GOVERNORS**
- B. The College was progressing conditions attached to OfS registration.

The Committee agreed:-

- To approve the minutes

4. RSM Internal Auditor's Reports

- I. The human resources Controls (recruitment and selection) report was given reasonable assurance with several recommendations. These included DBS checks and appropriate risk assessments if DBS reports had not been received before a new member of staff commenced employment. Shortlisting forms needed to be retained as an audit trail. A Governor asked if this was due to different staff being part of recruitment panels. It was possible that documentation was completed but guidance was required from personnel to ensure staff complete and return applicable documentation to personnel for the central file. Details of recruitment panels were not always retained to check that at least one member had completed safer recruiting training. Governors were reassured that staff who conduct interviews receive safer recruitment and refresher training. The

Principal explained that the recruitment policy and procedure would be reviewed to include a checklist for staff which would ensure the recruitment process is robust. A reference policy containing a standard reference would be developed. In summary this was a worthwhile audit and the Principal confirmed that numerous actions have already been taken to address the report.

- II. The progress report confirmed that the IT core controls audit fieldwork had taken place with dates agreed to complete further audits in April. The client briefing on cyber security provided practical aspects to maintain security. Training would be provided for staff.

The Committee agreed: -

- To note the Internal Auditor's reports and the briefing

5. Risk Management Register and Report

- I. The Finance Director outlined new risks which included Brexit and reduction in the number of EU students which would impact on all HE institutions and increase competition.

OfS registration had reduced marginally. This is an annual requirement and very prescriptive requiring additional governance information; examples are an Access and Participation Plan and Competition & Markets Authority (CMA) information.

Publication of the Post-18 Auger funding review had been deferred to May 2019; its impact remains unknown.

Changes to senior staff included a new Head of Communications. The Estates and Health and Safety Manager had resigned. The Principal explained that this role would be restructured.

The risk of the relationship with RNC had decreased following Herefordshire Council's acquisition of CRC. This resulted in an increase to the risk of the relationship with Herefordshire Council which will be added to the register. **ACTION: FINANCE DIRECTOR.**

HE applications and enrolments are fewer than last year. The F&GP Committee will consider assumptions and the potential impact on next year's financial plan. In-year HE retention remains good. A Governor asked about internal progression noting that this is encouraged. Unconditional offers had been debated previously by the AQ&S Committee concluding that the College's policy would be to only make unconditional offers if applicants already met the criteria or in exceptional circumstances. A PR consultant has been commissioned to prepare a recruitment plan. Demographics in the area were questioned noting that HE increases in 2020 and FE the following year in Herefordshire. Demographics of school leavers in Worcestershire increases earlier and could impact positively on FE applications. FE acceptances and offers are anticipated to be similar to last year. Next year's FE allocation will improve by c£70,000 based on the funding methodology. Provision of GCSEs in creative subjects in schools was raised noting that the College had recently appointed a Recruitment and Outreach Manager to work with secondary schools. This remit could be extended to cover out of school clubs such as youth theatre groups. There was a question how Gatsby careers standards were being embedded which would also link to the above role.

Management of short courses had been moved to the Head of Communications so that its delivery linked to the strategy. T Levels will be introduced in September 2022 with pilots being delivered in some areas. T Levels require c300 hours work placements for students. The College delivers General Applied Programmes.

Student accommodation had been approved by the Cabinet at Herefordshire Council. The College is taking legal advice regarding the financial agreement and the nominations agreement with Herefordshire Council. The Committee commended the Principal and Finance Director on progress to date. The College's relationship with NMiTE would also be added to the register who would eventually be sharing CRC and student accommodation. **ACTION: FINANCE DIRECTOR**

Teachers' Pension Scheme costs will increase to £90K pa; ESFA will monitor this.

- II. A copy of a presentation by the AoC Deputy Chief Executive had been provided for information which highlighted sector-wide risks. These included the OfS annual prescription fee, Insolvency Regime which was implemented from January 2020. EBITDA percentage as a trigger for intervention from ESFA if it falls below benchmark. AoC Chief Executive's letter could be circulated to all Governors as a regular sector briefing. The presentation would be included with Board papers. **ACTION: CLERK TO THE GOVERNORS**

The Committee agreed: -

- To note the risk register and AoC presentation which would be included with Board papers

6. Recommendation Tracking

The Finance Director outlined progress explaining that a temporary Policy and Research Assistant had been appointed to review policies. These are being prioritised and would be presented in a unified format. GDPR recommendations from the advisory report would be incorporated in the tracker and a GDPR consultant commissioned. Herefordshire Council's Customer Services Information and Records Manager had provided GDPR training and could be approached to ascertain if this could be provided for the College.

UK Visa and Immigrations conducted an audit to check the College completed the correct checks for overseas students. This was a positive visit and the report would be presented at the next meeting. **ACTION: FINANCE DIRECTOR/CLERK**

Safeguarding training had been delayed; however, it was confirmed that dates have been set for staff training.

SLT are reviewing tracking implementation of recommendations by showing the percentage of implementation completed.

The Committee agreed: -

- To note the recommendation tracker and progress

7. Any Other Business

8. Date and Time of the Next Meeting

Monday 10 June 2019 commencing at 1.30pm.

Signed as a true record of proceedings:

Chair: Date:



Minutes of the Meeting of the Confidential Audit Committee with Officer and without Auditors held on Monday 18 March 2019

Present: - Mr Mike Rookes (Chair)
Mrs Alison McLean
Ms Katie Seekings
Mr Graham Briscoe (Co-opted Member)
Ms Emma Lewis (Co-opted Member)

In attendance: - Mr Tim Williams (Finance Director)
Miss Jane Simons (College Accountant)
Mrs Linda Watkins (Clerk to the Governors)
Ms Abigail Appleton (Principal)

The meeting was quorate as five members were present

The following discussions took place without Auditors present

9. Apologies for Absence

10. I. Minutes of the Last Meeting

Alison McLean, as chair of the last meeting, signed the minutes of the last meeting without Auditors present held on 3 December 2018 as a true record.

II. Matters arising from the Minutes

No matters arising

The Committee agreed: -

- To approve the minutes

Signed as a true record of proceedings

Chair: Date: