

Minutes of a meeting of the Audit Committee held on Monday, 23rd April 2018 at 5.00pm in Room FO27

Present: Andrew Oldham (Chair); Norma Boyes; Stuart Williams;

Apologies: Claire Madden

Also Present: Patrick Clark, Internal Auditor (Icca Ets); Karen Rae, External Auditor (Armstrong Watson); Jane Murray, Clerk

08/18 Resignation

It was noted that Sarah Farquhar had tendered her resignation from the Committee. The Committee requested that Sarah's input be recognised by means of a thank you letter from the Chair.

09/18 Minutes

Resolved – that the minutes of the meeting held on 29 January 2018 be approved and signed as a correct record.

10/18 Declarations of Interest

None received.

(As there was insufficient attendance to allow formal discussion at the meeting, there would be consultation at the close of the meeting with the Chair and Mrs Boyes and the auditors in respect of staff governor membership of the Committee).

11/18 Internal Audit: External Assurance of Sub-contracting

This was an advisory report, a compulsory external assurance report demanded by the ESFA for all organisations with sub-contracting in excess of £100,000, to ensure that funding conditions were being met.

There is only one partially compliant area, which was considered to be a good result by the internal auditor, with the recommendation arising that a contingency plan be formalised.

The Committee noted that there had been one incident in the reasonably recent past where contingency plans were put in place, and confirmed that there a checklist which would not be formalised in a plan.

The Committee recorded their thanks of a good performance.

12/18 Internal Audit: Student Targets

This was an audit which gave substantial assurance with one low recommendation arising. One student had been found to have insufficient targets set and there had been a quality audit on target-setting since, which had shown that all targets are set and monitored, but where there was some mixed quality over progress and completion, this was being followed up with the relevant managers.

It was questioned whether the sample size of the audit, 20, had been sufficient to make a judgement. It was felt that this was certainly within guidelines.

13/18 Value-added, Progress Measures and Destinations

This was considered to be a good audit with substantial assurance and 1 low recommendation arising. While Initial Target Grades and Aspirational Target Grades are being recorded, two students did not have Unit Target Grades set. The recording of UTGs was being following up with managers.

14/18 Internal Auditors: Follow Up of Previous Recommendations

The committee commended performance, with the external assurance report demonstrating 100% compliance with recommendations.

15/18 Audit Tracking Report

Good progress was being made all recommendations, with only a minor slippage on a move to digital technology for apprenticeship administration, but the Deputy Principal was to consider systems in place at other colleges.

16/18 ESFA Funding Audit

This was an internal audit from Carlisle College in respect of the Edge contract. Such audit consistently found that Lakes College was the partner who was the most compliant and there were no major issues arising.

17/18 Internal Audit: Draft Audit Plan 2018-19

The proposals were being put forward following consideration of the risk register, and included specialist input in Security and IT. With curriculum planning and timetabling and benchmarking support costs, it was felt that scrutiny of financial costs were in scope. Learning Support had been an area for review identified from the inspection. Data protection scrutiny, following the rule changes, would provide some welcome feedback.

In considering the plan, the Committee were content on questioning that the audit strategy provided good coverage and were content to recommend the audit strategy to the board for approval.

18/18 Cyber Attack

The Deputy Principal updated the Committee on action taken since the cyber attack. There had been an external technical review of the infrastructure which had resulted in several recommendations, where progress was being made, but a list still being worked through. Some restructuring had taken place and a further review was planned in June, which would be reported back.

The meeting closed at 1815h.

Consultation took place following the meeting with the Chair of Audit, Mrs Boyes, the Internal and External Auditor and the Deputy Principal on changes to the Post 16 Audit Code of Practice.