

## Preston's College

### Redacted/ Abridged Minutes<sup>1</sup> of the Audit Committee Meeting held on 13 March 2019 at 5.30pm in the Board Room at Preston's College

#### Present:

Mr M Driver                      Chair  
Mr T Readett  
Mr D Patel  
Mr J Wilson

#### Apologies:

Mr E Bassa  
Dr L Smith                      Principal & Chief Executive

#### In attendance:

Mr K Azeem                      RSM  
Mr S Nixon                      Executive Director – Resources  
Mrs C Rayner                      Clerk to the Corporation

#### 1. Welcome and Apologies

The Chair welcomed everyone to the meeting, and in particular welcomed Mr Patel and Mrs Rayner to their first meeting of the Audit Committee.

It was noted that apologies had been received from Mr Bassa and Dr Smith.

#### 2. Declarations of Interest

The Chair reported that one of his current projects also worked with RSM. However, there was no contact with any RSM management that worked with Preston's College.

#### 3. Minutes of the meeting held on 14 November 2018

**Resolved: that the minutes of the meeting on 14 November 2018 were agreed as a true record and signed by the Chair.**

#### 4. Audit Committee Code of Practice

Mr Nixon presented the Audit Committee Code of Practice, making reference to:

- the purpose of the Code, which was annually updated and applied to all FE Corporations;
- the Code demonstrated that public money spent in accordance with HM Treasury guidelines;

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<sup>1</sup> Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been redacted from these minutes.

- the Code demonstrated proper discharging of statutory and other legal requirements;
- the Code included additional guidance on fraud;
- the Code was designed to ensure better alignment with regularity self assessment questionnaire;
- the assurance framework including governing Instrument and Articles and clear terms of reference for the Audit Committee;
- the role of external auditors and approach to internal audit;
- the annexes provided: letters of engagements, regularity concerns, an anti-fraud checklist and a regularity assurance report.

In response to questions on the Code from members, the Committee noted:

- the role of Audit Committee as outlined in the Code;
- whilst the Code of Practice focused on external audit procedures, there were also internal audit elements;
- the Code of Practice was operational from 1 August 2018 and had been published in February 2019;
- the impact of the new Insolvency Regime.

**Resolved: the Committee noted the Audit Committee Code of Practice.**

## **5. Internal Audit Reports**

### **a) General Data Protection Regulations**

Mr Azeem, Assistant Manager –RSM, presented a report on the General Data Protection Regulations (GDPR) data governance processes at the College. He highlighted:

- the management actions specified in the report which were in train;
- that due to the Antivirus and firewall protection in place and the wider College framework, there were no management actions in this area.

In response to questions from members, the Committee noted:

- the new Clerk would review all training requirements for governors, particularly whether governors should complete on line GDPR units going forward;
- clarification would be sought on whether the Joint Union Body had approved the new Privacy Notice for Staff;

- systems and process in place to prevent computer viruses, including College systems not allowing use of external memory sticks.

**b) Safeguarding and Prevent**

Mr Azeem presented a report on an Internal Audit review report on Safeguarding and Prevent Framework. He highlighted:

- a Safeguarding and Prevent framework was in place at the College which recognised its statutory duty to promote and secure the welfare of its learners. Reporting and monitoring was undertaken by the Safeguarding Learners Committee which reported into the Quality and Standards Committee;
- the management actions from the review which were in train.

Following discussion, the Committee noted:

- how ensuring compliance with the Modern Slavery Act 2015 was considered by the College including the Quality and Standards Committee;
- a further update on progress of the management actions highlighted would be given at the next meeting.

**c) Internal Audit Progress Report**

Mr Azeem presented the Internal Audit Progress Report, March 2019, which included additional reports on: cyber security, a Higher Education news briefing January 2019 and the Higher Education Risk Register Analysis – 2018.

Mr Azeem highlighted:

- the Estate Management review had commenced;
- all actions in the plan should be completed by the next Audit Committee meeting;
- changes to the audit plan including deferral of the 5 year plan work until the second term of 2019/20 and the audit allocation would be used to consider the payroll audit.

The Committee considered the reports and in particular how the uncertainties surrounding Brexit might impact HE.

**Resolved: The Committee noted the internal audit reports including the Progress Report March 2019, and reports on GDPR, safeguarding and cyber security. The Committee endorsed the Action Plans.**

**Actions:**

- **The Clerk to review mandatory training for governors, including on line training, and in particular whether governors should complete on line GDPR training.**

- **Management to provide the Committee with an update on whether the Joint Union Body had approved the new Privacy Notice for Staff.**

## **6. Risk Management Register**

Mr Nixon presented a report on the Risk Management Register which outlined the key risks facing the College. Mr Nixon referred to the Risk Management Register, March 2019, and explained that all the major risks identified had appropriate action plans and monitoring systems in place, with actions for mitigation. The Committee discussed the Risk Management Register.

**Resolved: The Committee noted the risk management register and agreed the current risks, actions completed and further actions still to be completed.**

## **7. Date of Next Meeting**

It was noted that the next meeting would take place on 12 June 2019.