

REASEHEATH COLLEGE BOARD
AUDIT COMMITTEE

Minutes of the meeting held on Thursday 15 March 2018 at 10.00 am
Committee Room, Reaseheath Hall

Present: Karol Bailey
Dr Ian Graham
Fran Johnson
Emily Thrane

In attendance: Louise Tweedie, RSM (*items 1-4 only*)
Alex Hire, RSM
Graeme Lavery, CFO and Director of Resources
Richard Ratcliffe, Chair of Governors
Jackie Schillinger, Clerk

At the start of the meeting members had the opportunity to discuss any matters with the College Auditors without the presence of senior management.

PART A

Item	Content	Action
1.	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p>Apologies were received and accepted from Colin Baxter. In his absence, Karol Bailey, Vice Chair of the committee agreed to chair the meeting. Apologies from the Principal and Vice Principal, both away from college, were also received and accepted. The Chair welcomed members to the meeting. Fran Johnson arrived to the meeting a little late, due to traffic. The Clerk confirmed that the meeting was quorate.</p>	
2.	<p>DECLARATIONS OF INTEREST</p> <p>The following interests were noted:</p> <ul style="list-style-type: none"> • Dr Ian Graham, member of the University of Chester Council • Emily Thrane, Chair of the DART Limited Board of Directors • Fran Johnson, Partner, Howard Worth <p>The interests noted did not give rise to any conflict in relation to the agenda items.</p>	
3.	<p>MINUTES AND MATTERS ARISING</p>	
3.1	Parts A and B of the minutes of the meeting held on 30 November 2017 were received,	

	approved and signed by the Vice Chair.	
3.2	Matters arising: A Part B item was discussed under matters arising.	
4.	DEVELOPMENT BRIEFING: Louise Tweedie of RSM provided the HE and FE sector update report for information and discussion. Discussion and questions followed and members welcomed the very informative update presentation. <i>Louise Tweedie left the meeting</i>	
5.	INTERNAL AUDIT REPORTS	JS to circulate Follow Up report by email following the meeting. CFO to report back on follow up item at next meeting.
5.1	Alex Hire of RSM presented the Internal Audit Progress Report as well as the Internal Audit Follow Up Report (tabled in the meeting). The committee took assurance that there were no significant issues of concern raised in this reporting. Discussion focused on the advisory audit on the General Data Protection Regulation Governance Framework, which confirmed that the College's action plan towards compliance is sound, and made some recommendations for guidance. Members noted the reasons for the proposed re-scheduling of two audits: Internal Verification Framework (to May 2018) and Framework for Compliance with Legal and Regulatory Requirements: Data Protection (Phase 2) (to June 2018) and approved these changes to the audit plan.	
5.2	On the Follow Up audit report, one item that had not been confirmed as complete was highlighted and the CFO and Director of Resources confirmed that he would follow this up outside the meeting.	
5.3	Alex Hire presented the Internal Audit Service Benchmarking Report. Members welcomed the strong positive assurance provided by the report in relation to similar audits performed across the sector for RSM's client base.	
5.4	Alex Hire presented the General Data Protection Regulations (GDPR)–Advisory Audit Report, which provided the detail of RSM's advice on the College's action plan to achieve compliance with the GDPR. The CFO and Director of Resources provided an update on progress made since the last committee meeting at the end of November. The committee noted the good progress being made and noted that the risk will remain a high risk on the College strategic risk register until the action plan is more complete and that the planned audit in June 2018 should provide external assurance on the risk level at that stage.	Alex Hire to provide feedback on DPO role
6.	INTERNAL AUDIT RECOMMENDATIONS TRACKING REPORT	
6.1	The CFO and Director of Resources provided the Internal Audit Recommendation Tracking Report for information and monitoring to ensure that audit recommendations are followed up in a timely manner. Members picked up the highlighted point from the earlier Follow Up report provided by auditors and received assurance that this recommendation follow up would be reported back for assurance at the next meeting. The 'no response' reference in the overdue analysis was also queried. The CFO agreed to check this outside of the meeting as this reference may have been carried over incorrectly from a previous report.	GL to confirm 'no response' reference in tracking report.

7.	<p>RESIDENTIAL BURSURY FUNDING – ESFA RISK AND ASSURANCE AUDIT</p> <p>The Director of Finance and resources provided the residential bursary funding ESFA audit report for assurance. The committee welcomed the positive assurance provided by the report.</p>	
8.	<p>RISK MANAGEMENT</p> <p>The Clerk presented the updated risk register report and full register and provided an update on feedback from each of the other committees on risks within their remit. Members welcomed the report and commented that it provided a clear overview of current strategic risks and recommended that it be provided to the Board for information.</p>	
9.	<p>IRREGULARITIES</p> <p>There were no irregularities reported.</p>	
10.	<p>MATTERS TO REPORT TO THE BOARD</p> <p>It was agreed that the Chair’s report confirm the following:</p> <ul style="list-style-type: none"> • That the committee has considered the areas of college activity within its remit and has received good assurance on the areas reported at this meeting, with no areas of concern to report to the Board at the current time. • That the College strategic risk register update is provided to the forthcoming board meeting for information • The appointment of Evelyn Davies-Jones as an external co-opted member of the committee for a period of 3 years, with legal, commercial and FE sector audit and risk management experience to contribute to the committee (<i>see below</i>) 	
11.	<p>ANY OTHER BUSINESS</p> <p>11.1 The Vice Chair reported that she and another committee member had met with Evelyn Davies-Jones, a solicitor and former clerk with substantial risk management experience, in relation to Evelyn joining the committee as a co-opted member. She provided further details of background and experience and recommended the appointment. Following discussion, members agreed the appointment would be of great benefit to the committee and were happy to approve it.</p> <p>11.2 RESOLVED: Approve the appointment of Evelyn Davies-Jones as a co-opted committee member for a period of three years from the date of the next committee meeting 5 July 2018.</p>	

12.	DATE OF NEXT MEETING The date of the next meeting was confirmed as Thursday 5 July 2018 at 2.00pm	
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A Part B agenda followed.

The meeting closed at 11.30am

The meeting was followed by a tour of the capital projects 11.30am – 12.30pm

Signed:

Dated: