



TRURO AND PENWITH COLLEGE CORPORATION



Audit Committee

Minutes of the Audit Committee held on Tuesday 8 June 2021 via Teams.

Members: Mrs L Batchelor, Mrs S Sanderson, Ms D Skinnard, Mr R Townsend (Chair) and Mr A Wheeldon

Also Present: Mrs L Bradley (Director of Quality), Ms J Cashmore (Director of Operations), Mr S Cryer (Director of Finance), Ms L Maggs (Director of Operations, Penwith College), Mrs C Mewton (Director of Studies), Mrs V Pearson (Director of Teaching and Learning), Mr V Shutler (TIAA, Internal Auditor), Mr A Stittle (Director of Partnerships), Mr B Thorne (Bishop Fleming, Financial Statements Auditor), Mr M Tucker (Principal) and Mrs A Winter (Clerk to the Corporation)

Apologies: Mrs A Oliver (Bishop Fleming)

Item	Decision	Action
21/24	Minutes The Minutes of the meeting held on 24 November 2020 were APPROVED as a correct record.	
21/25	Matters Arising 25.01 Internal Audit: Block 2 (Minute 20/12.02) The Committee NOTED that a new digital marketing company, Itineris, had been appointed to manage the College's website.	
21/26	Internal Audit Report: Visit 1 The Committee considered the report on reviews completed remotely in winter 2020/21. The Internal Auditor summarised the scope and findings from each review and Governors NOTED : <ul style="list-style-type: none">Governance: Performance Monitoring The review considered the systems for providing assurance to the governing body and SMT on the achievement of targets through the use of KPIs and monitoring. Despite the significant impact of the pandemic and a switch to remote governance, rigorous oversight had been maintained and external returns submitted on time. No recommendations had arisen from the review and this area was graded Substantial Assurance.Risk Management: Reputational Risk The review considered the arrangements for ensuring that risks to reputation were being appropriately managed, including risks arising from the College's relationships with TPAT and Callywith College. The review concluded that risks were closely monitored and mitigating actions implemented. No recommendations were made and this area was graded Substantial Assurance.	

21/27	<p>Internal Audit Report: Visit 2</p> <p>The Committee reviewed the Audit report and NOTED:</p> <ul style="list-style-type: none"> • Key Financial Controls <p>The review considered the effectiveness of key financial controls, including budgetary control, general ledger, cash, banking, treasury management, income, debtors, payroll and purchases. The Auditor found a good separation of duties, up-to-date Financial Regulations and Financial Procedures in place and processes adapted to take account of remote working. No recommendations were made by the Auditor and this area was graded Substantial Assurance.</p> <ul style="list-style-type: none"> • Capital Scheme – Institute of Technology <p>The review considered the arrangements for monitoring the building contract for the Institute of Technology (Valency). The audit concluded that an appropriate tender process had been completed, the work was overseen by Project Managers with regular monitoring by Governors. The £5m DfE funded project had been completed within budget and on schedule. No recommendations were made and this area was graded Substantial Assurance.</p> <ul style="list-style-type: none"> • Student Recruitment (Further and Higher Education) <p>The review considered the arrangements for student recruitment. Due to the pandemic, school liaison, marketing and recruitment activities had been adapted with virtual events and online application processes. The review concluded that comprehensive and effective procedures were in place. No recommendations were made and this area was graded Substantial Assurance.</p>	
21/28	<p>Internal Audit Assurance Review of ICT Security</p> <p>A specialist assurance review of ICT Security had been undertaken in February 2021 to identify any additional measures to enhance security and reduce cyber risks. The review process had been helpful, identifying aspects of good practice as well as nine action points. This area was graded Reasonable Assurance.</p> <p>The Committee discussed the findings and noted that since the review, penetration testing had been completed and an audit of GDPR compliance was about to take place. In addition, multi-factor authentication was being introduced to increase security when accessing the IT network from a non-College device.</p> <p>The Committee was satisfied that the recommendations were being taken forward to improve ICT security.</p>	
21/29	<p>Internal Audit Report: Visit 3</p> <p>The Committee reviewed the Audit report and NOTED:</p> <ul style="list-style-type: none"> • Safeguarding and Prevent <p>The review considered compliance with Safeguarding requirements and the Prevent duty.</p>	

	<p>The annual assurance return provided a comprehensive account of the arrangements, training and procedures in place. A test check of new staff confirmed DBS checks had been correctly completed and induction checklists were used to monitor essential training. No recommendations were made by the Auditor and this area was graded Substantial Assurance.</p> <ul style="list-style-type: none"> • Learner Support Fund <p>The review considered the arrangements administering bursaries and subsidies to students from the LSF provided by the ESFA. All processes were found to be in order and support had continued to be provided throughout the pandemic. No recommendations were made and this area was graded Substantial Assurance.</p> <ul style="list-style-type: none"> • Premises Management <p>The review considered the effectiveness of arrangements for managing College premises, including policies and procedures, guidance and training for the Premises Team and the planned maintenance programme. The review concluded that comprehensive and effective procedures were in place. No recommendations were made and this area was graded Substantial Assurance.</p>	
21/30	<p>Internal Audit Follow Up Review</p> <p>The Committee received the Internal Audit Follow-Up Review providing an update on recommendations arising from audits undertaken during 2020/21. Of the nine recommendations regarding ICT security, four had been implemented, two were on target for completion and three actions were not due yet.</p> <p>The Committee noted progress and CONFIRMED it was satisfied that all issues were receiving appropriate attention.</p>	
21/31	<p>Internal Audit Strategy and Plan for 2021/22</p> <p>The Committee considered the draft Internal Audit Plan detailing the proposed audit work to be carried out during 2021/22. The Plan had been developed in consultation with senior managers, focusing on emerging risks and covering a range of systems throughout the College. As previously, a total of 25 days audit work was proposed.</p> <p>The rationale for the areas selected, rolling strategic plan for the coming three years and timetable were discussed. Governors suggested that additional days would provide scope for a deeper dive into specific areas or offer wider coverage (eg. OfS requirements). It was noted that the number of audit days varied widely in the sector.</p> <p>Following consideration, the Committee RECOMMENDED approval of the Internal Audit Plan for 2021/22 by the Corporation, with the flexibility to increase the planned audit days if the need arose.</p>	Recommendation for Corporation
21/32	<p>Financial Statements External Audit Plan for 2020/21</p> <p>The Committee received feedback from the interim audit fieldwork and testing undertaken ahead of the main, year end audit. The Committee welcomed the report and was pleased to note progress at this mid-year stage. No significant issues had been identified and no concerns raised by the Auditor.</p>	

21/33	<p>Risk Management Annual Report 2020/21 and Plan 2021/22</p> <p>The Committee considered the annual risk management report reviewing the key issues identified for 2020/21 and actual outcomes in relation to these risks. Overall, it had been a successful year, despite the significant impact of the pandemic. The embedded risk management controls had proved effective in dealing with the challenges faced by the College.</p> <p>The Committee discussed the Risk Management Plan for 2021/22, Risk Register and mitigating actions. Many potential risks would continue next year although the level of risk might have altered.</p> <p>Although it was unlikely that a return to online teaching and learning would be necessary, contingency plans were in place. As the College had established effective systems this was not considered a significant risk.</p> <p>Following consideration, the Committee RECOMMENDED to the Corporation approval of the Risk Management Plan for 2021/22.</p>	Recommendation for Corporation
21/34	<p>Education & Skills Funding Agency Financial Health Grading</p> <p>The Committee was pleased to NOTE that confirmation had been received from the ESFA that the College's financial health for 2019/20 (based on outturn) had been graded 'Outstanding' and a grading of 'Outstanding' was forecast for the current budget year.</p> <p>Governors reviewed the dashboard data which confirmed the College remained in a very positive financial position.</p>	
21/35	<p>EU Revenue Projects Audit</p> <p>The Committee received a summary of the EU projects which had been audited by the Department for Work and Pensions during the past 12 months. The College was working in partnership on these projects for hospitality businesses and Health & Social Care sector. No issues had been identified in relation to the College's role.</p>	
21/36	<p>Post-16 Audit Code of Practice</p> <p>The Committee reviewed the revised Post-16 Audit Code of Practice for 2020/21 and, in particular, NOTED the new requirements regarding the role of the Audit Committee.</p>	
21/37	<p>Review of Committee Terms of Reference</p> <p>The Committee reviewed the terms of reference in the context of the revised Post-16 Audit Code of Practice and RECOMMENDED the addition of a reference to the Committee's role regarding data breaches, GDPR infringements and Health & Safety compliance (Appendix A).</p>	Recommendation for Corporation
21/38	<p>Any Other Business</p> <p>Governors thanked Dom Haughton (Finance Officer) and Vernon Shuttler (TIAA, Internal Audit) for their many years of work with the College and wished them well for their retirements.</p>	
21/39	<p>Date of Next Meeting</p> <p>The Committee would meet at 5.00pm on Tues 23 Nov 2021.</p>	ALL to note