

Agenda Item No: AC19.02

**THE CORPORATION
EALING, HAMMERSMITH AND WEST LONDON COLLEGE**

Minutes of the Audit Committee Meeting held on Tuesday 19 June 2018

The meeting began at 6.00 pm.

Attachments:

[Audit Report and Sector Update](#)

ITEM 1

Attendance, Apologies for Absence and Declarations of Interests

- 1.1 The Committee members present were Cllr Binda Rai and Ray Hilditch.
- 1.2 Apologies for absence had been received from Callum Anderson and Sundeep Sangha.
- 1.3 Garry Phillips and David Rose were in attendance.
- 1.4 Keith Scribbins clerked the meeting.
- 1.5 Philip Keown (Grant Thornton UK LLP) and James Newton (RSM UK Group LLP) attended on behalf of the auditors.
- 1.6 There were no declarations of interests.

ITEM 2

Membership and Terms of Reference

It was **NOTED** that Callum Anderson, Ray Hilditch and Cllr Binda Rai were new members. Cllr Rai had been appointed as Chair.

The terms of reference were read and **NOTED**.

ITEM 3

Minutes of the Committee held on 31 October 2017

These minutes were **RECEIVED**. There were no matters arising.

ITEM 4

Internal Audit Report

Philip Keown introduced his report on:

- 4.1 HE Provision
- 4.2 Risk Management
- 4.3 Progress Update
- 4.4 Updated Audit Plan 2017-18
- 4.5 ALS and IT Support Services Audits

There was also a summary set out by Garry Phillips. In brief the reports were as follows:

- HE – many good practice points. Four medium level recommendations and one recommendation for information. (i) HE strategy should be signed off by Board, (ii) Plan should be reviewed, (iii) no formally documented rationale, (iv) detail on targets insufficient.

All the proposals had been agreed by the management.

- Risk Management – risk policy and reporting good. Three medium and two low recommendations. (i) Corporate and risk framework needs updating, (ii) residual risks showed be accepted, (iii) Risks in register to be aligned to strategic goals.

All actions agreed.

- Progress – Reviews on compliance (following proposed merger – now not occurring), apprenticeships and health and safety removed or deferred. Additional Learning Support review and IT review to be expanded.
- Plan for 2017/18 – **APPROVED.**

In the course of discussion members questioned the character of the recruitment plan for HE. There was not, currently, an opportunity to recruit from overseas. The need to look at leadership risks at some stage, given imminent changes.

- Members were informed that reports on IT support and Additional Learning Support would follow later.

Finally, it was stated that the internal auditors were stepping down and David Rose indicated that he would commence the process of selection for new internal auditors.

The reports from the internal auditors (and the management comments) were all **APPROVED**.

ITEM 5

External Audit

James Newton introduced the report on Apprenticeships. Key points were:

- Partial compliance
- Some start dates unclear
- Some new requirements still to be fully implemented (e.g. in relation to contracts)
- Current documentation needs improvement

There were two low, six medium and four high level proposals. All the proposals had been agreed by management and implementation plans were in place. Members heard that the plans would be completed by December 2018. They considered the high level recommendations (e.g. funding eligibility) in detail.

Following discussion, it was **AGREED** that there should be a compliance audit in the Autumn and that the report and management actions should be **ADOPTED**.

Members moved on to consider the **Audit Report and Sector Update** for the year ending 31 July 2018. This covered financial statements, going concern bases and regularity. In discussion it was **AGREED** that a waiver letter should be sought from the Bank regarding covenants (see Going Concern section of the report). Members asked the Auditors to report to the Principal and Chief Executive as well as Finance Director and, if necessary, to the Chair of the Corporation. Members also **AGREED** that the Report should be **ADOPTED** and attached to these minutes.

ITEM 6

General Data Protection Regulation

Members **RECEIVED** a paper written by Ijeoma Akigwe on the regulations. It outlined the steps to compliance made by the College and the work still to be done. It was suggested that the paper could be used in a governor training session. Following discussion the Committee **AGREED**

that: Progress on GDPR and the project implementation plan be **NOTED**

that: The Privacy and Cookie notices be **NOTED**

that: The changes in learner agreements be **NOTED**

that: Policy changes be **NOTED** and **APPROVED**.

ITEM 7

Risk Register

The registers were attached to this report and covered:

- The College Risk Register
- Projects Risk Register
- H & F Gateway Project Risk Register

The Committee were asked to **ADOPT** (on behalf of the Board) the scores and management controls for mitigation of risks and risk tolerance. The registers on accommodation and the H and F Gateway Project were supplementary to the overall College risk register. Members **AGREED** that all the registers needed to be the subject of regular review.

The registers were **ADOPTED** and it was suggested that accommodation expenditure to date should be considered for capitalisation and specific governors should cover certain risk areas.

ITEM 8

Date of Next Meeting

To be determined as part of 2018/19 Calendar at July Corporation meeting.

Any Other Business

It was proposed that a member of the Audit Committee should sit on the Selection Panel for the new Internal Auditor – if this was possible.

Chair's Signature

Date