

HERTFORD REGIONAL COLLEGE
AUDIT COMMITTEE
9th November 2016.

Present: Ken Ayling (Chair)
Jan Wing

In Attendance
Dan Harris (RSM)
Andrew Clare (Deputy Principal Finance & Resources)

John Fowl (Clerk to the Corporation)

The Clerk advised that the meeting was inquorate and therefore could not proceed. It was agreed that there should be a discussion of the agenda items but that no decisions could be made. The Clerk was asked to take notes of the discussions.

603. To Receive Apologies For Absence.

Apologies were received from Ricky Irons and Kyle Broad.

604. Declaration of Interests.

None.

605. To Meet Auditors Without Officers Present.

Dan Harris confirmed that there was nothing the Internal Auditor (IAS) needed to raise with the Governors under this item.

606. To Approve the Minutes of the Meeting Held on 21st June 2016.

The minutes were approved.

607. Matters Arising.

594. The briefing of the sub-committee Chairs on the Strategic Risk Register has not taken place but the IAS have now published a document that will help with this matter and it was confirmed that it would be circulated to the Chairs.

The Clerk was asked to circulate the Strategic Risk Register to all Chairs and to put the review of risks on each sub-committee agenda so that they may review all risks associated with their area of responsibility.

596. The IAS has recently conducted an audit of the College subsidiary companies and the report of their findings will be circulated to the Governors once finalised.

597(c) The College has been in discussions with a company with regard to the employment and payment of Hourly paid staff. Legal advice has been taken and this process has resulted in a delay so that any new system will not now be implemented until January 2017.

597 (d) It was confirmed that paper registers are not used within the main college centres but can on occasion be used for off-site provision and with partners.

608. Internal Audit Reports 2015-16

The committee was advised that the 8 areas audited during 2015-16 five of them had been reviewed by the Committee at the June 2016 meeting.

The other areas audited were IT General Controls, Learner Number Systems and the Follow up of previous recommendations.

a) IT General Controls.

This was given an Amber-Green assurance level by the auditor with three medium and two low level recommendations made.

The recommendations covered the need for the College IT systems to be more secure from cyber-attacks. It had been found that staff IT accounts that had been dormant for 60 or more days were not quickly removed from the system. To improve security the default Administrators account has now been removed.

b) Learner Number Systems.

This was given an Amber-Red assurance level by the auditor with one high level, three medium and three low level recommendations being made.

It was reported that on a number enrolment forms the necessary evidence and signatures were missing on which funding can be claimed. Some students had not been withdrawn from the system on their leaving the course. All the issues identified could adversely impact on the College funding claim. The College has tightened up in this area and the Management team has accepted all of the recommendations and is implementing them.

c) Follow up of Previous Recommendations.

This report was still in draft form and was showing that poor progress had been made in implementing the previous IAS recommendations. Andrew Clare stated that the report was currently with the SLT members and that some more of the recommendations would be fully implemented prior to the next Audit Committee meeting or revised deadlines for implementation will be agreed.

It was noted that there were no significant risks associated with any of the outstanding recommendations.

It was **Resolved** that the Internal Auditor Reports be Received.

609. Internal Audit Annual Report 2015-16.

This report provided the Committee & Board with a positive opinion.

Those present noted the summary of the outcomes from the audits undertaken during the year and the assurance levels awarded.

It was **Resolved** that the Report be Received

610. To Receive the Risk Management Report and Risk Register Update.

Members received the Strategic Risk Register for information. Andrew Clare outlined the risks and the steps in place to mitigate against them. The key Risks were identified for the benefit of the Governors.

It was **Resolved** that the Report be Received

611. To Receive the Draft Annual Report of the Audit Committee 2015-16.

The draft report was received and members noted that it would be finalised once the Financial Statements Auditor had completed the audit of the College Annual Accounts 2015-16.

In reviewing the Terms of Reference the Governors were of the view that the Principal should not be required to be present at each meeting of the Committee, but to attend only when requested to do so by the Committee.

A number of minor amendments were suggested and the Clerk was asked to update the report accordingly.

It was **Resolved** that the Report be Received and that it be approved at the Joint meeting with the Resources Committee on 23rd November 2016.

612. Any Other Business.

It had been noticed that the email distribution lists used by some staff for sending information to Governors was not up to date. The clerk was requested to contact the individuals concerned and ensure their mailing lists were up to date.

613. Date of the next Meeting.

The next meeting will take place on 23rd November 2016 as a joint meeting with the Resources Committee.

The next scheduled meeting will take place on 8th March 2017.

Signed.....
(Chair)

Date.....