

Minutes of the Audit Committee
Held on Tuesday 23rd February 2021

Present: Kathy Newman (Chair), John Dernie, Alexey Smirnov, Tim Thurston

With: Carole Kitching, Principal
Stephen Horrobin, Deputy Principal Finance and Resources
Ian Hole, Director of Resources and Projects (Minutes 36 – 40 only)
Louise Tweedie, RSM
Tracy Scaife, Head of Governance

36. Apologies for absence – received from Andrew Perrott and Keeran Vetriko.

37. Declarations of Interest – received as follows:

Kathy Newman - college investment with Nationwide

38. Minutes of the last meeting held on 23rd November 2020 and matters arising – minutes agreed as a correct record.

Matters arising raised as follows:

(i) Minute 29 – Risk management update – the Deputy Principal Finance and Resources advised the meeting that the Head of Partnerships has agreed with BIMM that they check the legitimacy of their students in the partnership. Verbal confirmation has been received from them that they will defer overtrading payments until 2022.

39. Critical Systems Review – report by Director of Resources and Projects received and noted.

The meeting noted that this review looks mainly at the merger of systems of the two former colleges. Implementation of the new systems is reported in detail to the Resources, Integration and Change committee. All of the Swindon.ac.uk domain is being transferred to the Newcollege.ac.uk domain. Both colleges use the same EBS system for student records. Implementation of a curriculum financial planning tool called 'Forecast' is underway. Both former colleges had this tool but did not fully use it. Data for use with the system is currently being built up from the student record system.

The IT team has been restructured to cope with the current pandemic situation as well as the implementation of new systems and the merging of existing systems. Each project has a risk log that is kept updated.

40. IT Security – report by Director of Resources and Projects received and noted.

Items that need updating or replacing were discussed and noted. It was further noted that while the number of phishing attempts has increased, the number of successful phishing attempts has reduced. Penetration testing is regularly carried out across the systems. It was suggested that a 3 – 5 year plan for testing should be drawn up to ensure that all areas are regularly tested. With regard to the numbers quoted for vulnerabilities found during the week-long penetration testing carried out earlier this year by JISC it was noted that these relate to the Queens Drive campus only and it is expected that these figures would increase significantly if North Star were included.

As IT security is such an important area it was suggested that an audit of this area should be included in the internal audit plan for either this or next year, particularly as external checking of this area will be a requirement from next year.

ACTION: *IH to prepare 3-5 year plan for penetration testing across all systems; SH and IH to discuss internal audit of IT security with RSM.*

41. Risk Management update – report by Deputy Principal Finance and Resources received and noted.

The committee were pleased to note that the litigation matters novated across from the former Swindon College have both now been settled.

42. Risk Registers – received and noted.

The committee and the Deputy Principal Finance and Resources expressed their thanks to Meryl Hamilton who had worked so hard to produce the Risk Registers in the format requested.

43. Annual Internal Audit Report and Opinion – year ended 31st July 2020 – received and noted.

It was further noted that no changes have been made to the report since the draft was received by the committee.

As when considering the draft report, concerns were raised with regard to wording on page 5 of the report where one of the descriptors for the graph states that evidence was not provided. It was felt that this implies that the information was wilfully withheld and this is not the case. The information was unable to be provided due to the general availability of staff etc. during the current Covid-19 pandemic.

44. Internal Audit Reports – received as follows:

(i) Framework for Compliance with Legal Requirements: Health and Safety – noted that findings indicated that all core processes are in place and are actioned and working well. The negative findings relate to training.

(ii) Processes for Post 1 May 2017 Apprenticeships and study programmes – based on selected aspects of the ESFA’s funding audit approach – noted that the report relates only to legacy New College prior to the merger with Swindon College. Details of samples taken will be forwarded to the committee after the meeting.

(iii) Follow up – noted.

(iv) Internal Audit Progress report – noted.

45. Audit Action Log – received and noted.

The meeting noted the work of Meryl Hamilton in pulling together the audit action logs of both former colleges.

It was suggested that the last point on page 5 of the log relating to consumer protection laws and ensuring that the Corporation is aware of the Competition and Markets Authority (CMA) advice and the College's position on protecting consumers may no longer be required. The Vice Principal HE and Curriculum to advise.

Target dates within the log need to be checked to ensure that they are meetable.

RESOLUTION: it was agreed that those items within the audit action log marked as removable be removed.

ACTION: SH, MH to remove actions indicated as removable.

46. Fraud, irregularity and whistleblowing update – nothing to report.

47. Any other business – raised as follows:

(i) Resignation from committee – Alexey Smirnov advised that it is his intention to resign as a co-opted member of the committee at the end of the academic year.

48. Date of next meeting – Monday 25th May 2021 at 3.30pm

49. Appointment of External Auditors – confidential minutes refer.