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| **MINUTES** |
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| *Audit and Governance Committee No 24* |
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| Date: |   | *13/04/2021 (Tuesday)* |   | Time: |   | *18:00–20:00* |
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| Venue: |   | *Rural Business Centre* |   | Committee: |   | *Audit and Governance* |
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| Notes: |   | *The meeting will be via video conference.* |
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| Present: |   | *Barbara Godby, Jane Booker (Chair), Robert Wallace, Robin Newton-Syms and Thomas Cocks* |
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| Attending: |   | *Alison Robinson (Principal) and Joanne Sherrington (Deputy Principal)* |
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| Clerks: |   | *Ron Matthews (Clerk)* |
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| Guests: |   | *Allan Foster and Jane Butterfield* |
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| Apologies: |   | *Debbie Clayton* |
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| ***Public* Minutes** |
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| Item number: | Item description: |
| (and category) |   |
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| **23.21** | ***Attendance of College Management Staff and Internal Auditor*** |
| ***Decision*** | Section 8.1 of the current Constitution and Terms of Reference for the Audit and Governance Committee states "the Principal or any other senior manager who is responsible for the College's internal control and a representative of the Internal Auditors shall normally attend meetings at the invitation of the Committee and the Committee shall have the power to invite such other persons to attend meetings as may be desirable or necessary".The Chair welcomed everyone to the meeting including the Internal Auditor, Jane Butterfield.**Resolved:****That College Management Staff and the Internal Audit representative, Jane Butterfield, attend the meeting.** |
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| **24.21** | ***Apologies for Absence*** |
| ***Record*** | Apologies had been received from Debbie Clayton and Thomas Cocks. |
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| **25.21** | ***Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of Audit and Governance meeting number 23 held on Tuesday 2 February 2021, published on the extranet, were agreed and signed as a true and accurate record of the meeting. |
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| **26.21** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **27.21** | ***Internal Audit Reports*** |
| ***Decision*** | The Internal Auditor, Jane Butterfield, presented two reports on assurance reviews.The first report was for Assurance Review of Key Financial Controls - Payments.  Overall there was only one recommendation made which was graded Important.1. That the following actions be taken in relation to the findings :* The unmatched transactions report be subject to review on a monthly basis along with supplier statement reconciliations.
* All unallocated bank transactions be investigated and appropriately allocated.
* Older invoices and credit notes be reviewed and written off if required.
* Guidance be added within procedure notes relating to the generation and review of the report.

Graded Important and accepted by Management with an implementation date of 30 April 2021.The second report was an ICT Review of Disaster Recovery. Seven recommendations were made, four graded Important, two graded Routine and one graded Operational.1. The IT Disaster Recovery Plan and associated documents be updated  to reflect current processes and procedures.Graded Important and accepted by Management with an implementation date of 30 April 2021.2. Minimum data sets be obtained and documented for all  College departments and these should be backed up to a Cloud storage  solution. Graded Important and accepted by Management with an implementationdate of 31 July 2021. 5. The ELK Stack alerts be developed and implemented to provide  improved assurance around the security, availability and resilience of  the College network.Graded Important and accepted by Management. The ELK Stack was in place with ongoing development and review required.6. Disaster recovery arrangements be tested on at least an annual  basis, following completion of the updated Disaster Recovery Plan.  Test results be documented as part of a formal test  report which details  test objectives, outcomes and lessons learned. This can then be used  in updating and improving the Disaster Recovery Plan and supporting  documents.Graded Important and accepted by Management with an implementation date of 30 April 2021.3. An assurance that staff receive sufficient training in the use of the  new solutions.Graded Routine and accepted by Management with an implementation date of 30 April 2021.4. Confirmation that the level of encryption in use meets College  requirements.Graded Routine and accepted by Management with an implementation date of 30 April 2021. 7. Consideration be given to obtaining Cyber Essentials Plus  accreditation following Cyber Essentials certification to provide further  assurance around the College’s cyber security controls.Graded Operational and accepted by Management with implementation taking place as soon as practical.  Governors questioned their ability to monitor recommendation 5 as it included no definitive implementation date. The Deputy Principal, Finance and Corporate Services, undertook to discuss the matter with the Director of IT and MIS and report back to the June meeting.Overall, Governors welcomed the reports and the inclusion of completion dates.**Resolved:****That the report be received.** |
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| **28.21** | ***Internal Audit Progress and Summary Report*** |
| ***Decision*** | The Committee received and noted the above report, which contained information detailing progress to date on all recommendations made. The Summary Report detailed the outcomes of all outstanding recommendations.During 2017/2018 of the 21 recommendations, 18 had been implemented, 2 were no longer applicable and 1 relating to data retention had been partially completed. The outstanding recommendation was now scheduled for completion by 31 August 2021.In 2018/2019 of the 10 recommendations, 9 had been implemented and 1 was no longer applicable. In 2019/2020 of the 20 recommendations 15 had been implemented and 5 partially implemented. Of the outstanding recommendations 2 were scheduled for completion by 30 April 2021 and the remaining 3 by 31 May 2021.In 2020/2021 of the 10 recommendations 1 had been implemented and 9 were not yet due.In addition, the Deputy Principal, Finance and Corporate Services, circulated a report detailing the audits for the current year and requested authorisation to delay the Cyber Security Audit until July to allowed the current IT improvements to be completed.The Clerk pointed out that the resulting audit report would not be considered by the Committee until November and suggested an additional meeting be held on the afternoon of 14 September prior to the meeting of the Finance and Resources Committee that evening.**Resolved:****1. That the report be received and that the Governors were pleased**  **to note that all outstanding recommendations would be completed**  **before the end of the current academic year.****2. That an additional meeting of the Committee be held on the**  **afternoon of 14 September to consider the Cyber Security Audit**  **and the Audit Follow-up report.** |
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| **29.21** | ***Statutory Risk Register*** |
| ***Decision*** | Audit and Governance Committee considered the Strategic & Governance Risk Report for 2020/2021 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report was a reference to the risk appetite statement, risk assessment framework and risk heat map.The Deputy Principal had reviewed the Register and re-ordered it to match the revised Strategic Aims of the College. Any changes to the Register were highlighted in blue.The main change in terms of operations for the College was the closure of Newton Rigg (NR) College in Cumbria. The College has been given funding from the ESFA to deliver to an extra 100 students in the coming year from NR, in partnership with UCC. This extra funding manages the risk around the extra students financially. However, the main risk concerns the reputation of the College given the sensitivities and political activities around the closure. The project had been included in the Register with the risk increasing from 12 to 15. All other risks had remained the same in term of scoring. The other main changes included within the Register were centralised on the finalised Property Strategy, the Data Protection (DP) and Disaster Recovery (DR) Internal Audits having been completed and some further work regarding environmental reporting.**Resolved:****That the Strategic Risk Register Report be received.** |
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| **30.21** | ***Data Returns Report*** |
| ***Decision*** | In compliance with the requirements of the ESFA, Audit & Governance Committee considered the Data Returns report.All submissions had been completed and submitted to the funding body within the required time frames. The return for 8 April 2021, due after the circulation of the agenda, had been submitted on time.**Resolved:****That the Data Returns Report be received.** |
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| **31.21** | ***Governance Quality Improvement Plan 2020/2021*** |
| ***Decision*** | The Committee considered progress on the Governance Improvement Plan for 2020/2021.It was noted that good progress had been made on targets within the Plan.In relation to the proposed training needs analysis, a review of needs would take place at the Governors Away Event on Friday 16 April 2021.The Committee also reviewed the Governors Skills Audit in relation to the current vacancy on the Board.**Resolved:****That the report be received.** |
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| **32.21** | ***Governor Recruitment*** |
| ***Information*** | The Clerk confirmed that arrangements were in hand to fill the current vacancy on the Board prior to the end of the current academic year.**Resolved:****That the report be noted.** |
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| **33.21** | ***Governor Training*** |
| ***Decision*** | The date of the Governor Away Event for 2021 was confirmed as Friday 16 April 2021 and the agreed programme was circulated with the agenda.**Resolved:****That the report be noted.** |
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