Minutes of Audit Committee

Date: 4th June 2024 **Time:** 4.30 pm

Location: In College

Present:	Mr C Breckenridge (Chair)	Dr C Carpenter
	Mr A Scott	Mr E Uniuigbe *[via Teams joined 1645]*
In attendance:	Miss F McIntyre	Mrs S Carter
	Ms H Cargill (TIAA)	Mr J Marchant *[via Teams, joined 1800]*
	Mr Rafey *[via Teams joined 1805]*	
Apologies:	Ms M Lico	

1 Apologies

1.1 Apologies received as above.

2 Declarations of interest

2.1 None in addition to those previously declared.

3 Minutes of the last meetings – March 2024

3.1 Minutes of the previous meeting were reviewed and agreed as a true record.

3.2 Matters arising:

- Item 4.2.1, strategic plan aligned with risk - completed. Risk category added in strategic plan.
- Example Board Assurance Framework received
- Full board training - completed
- Risk Management Policy - completed
- Transport is looking positive for the year after next as in contact with two more providers. The contract may be split. There will be a full tender exercise next academic year. Bluestar are keen to work with College and will come back later in summer term with options.
- Pupil numbers and lag funding. It is a good problem to have and manage applications on a daily basis. 1900 students would be difficult and may need to adjust modelling.

3.3 *Q: Is there difficulty recruiting staff? Difficulties in maths were mentioned at a previous meeting?*
A: Currently fully staffed and recruited all needed. There may be bigger groups.
[EU Joined 1645 via teams]

4 Internal Auditor Presentations
Confidential minute section

5 Report from internal auditors – autumn visit

5.1 HC apologised for LH absence.

5.2 The autumn visit was on Estates with a scope of the tender/contract awards not the whole process. No recommendations were raised and as expected. Sustainable assurance reported. But as the contract proceeds risk can appear.

5.3 SC: When initially discussing scope first discussed managing estates daily such as legionnaires testing but this was done eighteen months ago so requested a more strategic overview to cover identifying projects to undertake and developing for future. It did then turn into focus on this one project and very focused on one process rather than a strategic overview.
Reply: The scope was very limited and there were other activities that could have been included.
There would have been more value in sense checking projects in terms of cash flow, affordability, not just this project but future ones to ensure the correct project management is in place. Also have the cash flow - College has stated it can afford the project but this needs to be checked.

6 Outstanding internal audit points review

6.1 SC reported she takes the previous export and removes the lines completed. Some of the green items have not reached their due date. Orange items relate to governance - clerk reported actions are underway. Will be discussed at the next S&G committee. **Action: FM**

6.2 The tracker will be cleared of completed items. **Action: HC**

[HC let at 1743]

7 Risk Register

7.1 Two changes made since February.

7.1.1 Risk 3.11 poor student perception of IT. Cashflow may affect the rolling IT replacement program in the next eighteen to twenty four months. There are also Microsoft updates in October 2025 and some of the existing PCs are not suitable for the new Windows system. Since they will not be supported they may be more susceptible to security breaches as anything without the new system would not be patched.
Due to the number of machines affected cannot update them all in time. There is a risk but need to quantify. Some could be changed to chromebooks but need to consider the curriculum requirements also. Will be kept under review as work is completed to understand the scale of the issue.

7.1.2 New risk added - student numbers
Maintained at a level sustainable and manageable. Mitigated by careful timetabling and resource planning with SLT oversight.

7.2 Q: Does the IT risk primarily affect curriculum or is there risk to personal data also?
A: The previous security breach got in through staff as the password was not robust enough. If there are desktop computers not serviced by MS it could become vulnerable. Chromebooks do not have storage. There could be 160 to 200 computers affected.
Q: Are there any grants available for IT?
A: No.

Q: Page 3, 2.1.A/8, world wide disease concerns - if covid or similar reoccurred can College still function?
A: Yes and in a much better place than before covid. Did not have training for google classroom. If had to work remotely again could transition within days and work effectively online. Review dyas are delivered remotely which is good practice as using online systems.
Q: Do we perform penetration tests?
A: Yes, regularly undertaken through JISK. Has been done since the cyber attack.
Q:Some organisations do this twice a year - why so infrequently?
A: Good challenge - will discuss with service provider. **ACTION: SC**
Q: Given student numbers should risk regarding insufficient numbers be lowered?
A: At the moment yes it could be looked at. Will retain for now and consider in September once numbers are known.

8 Consideration of External Audit Plan *[JM joined 6pm via Teams]*

8.1 Report circulated to governors is the starting point of this years audit process. Discussion with SC and also considering the events in College.
[R joined 1805 via Teams]

8.2 From 1st June their company has been renamed Forvis Mazars. Forvis is significant in the US.

8.3 The report sets out scope, considerations, responsibilities on management and auditors. JM has worked with College for seven years and Rafey two years. They considered if JM has too much familiarity threat but within threshold which is ten years but considered annually.

8.4 Page 11 has the timetable which is similar to the pattern of the last few years with the majority of testing in September.

8.5 Last year there were new regularity checks and managing public money and there were no issues with the increased testing last year.

8.6 The auditors confirmed the deliberate mix up of what is looked at and the style of testing.

8.7 Revenue and funding streams is a significant risk with the majority of income 16-19. Will be sampling to ensure students qualify for funding. Top up funding will be looked at separately.

8.8 The fees have increased which has been discussed with SC previously. This relates to the hours needed.

8.9 Questions on the report:
Q: Is SC ok with the timings?
A: Yes it is what happened before and works well.
Q: Is the fee increase in the budget?
A: Yes it is included.
Q: Is there any significant change to the audit from last year with the increased fee?
A: No but costs have risen and not passed on previous year. It is the market rate and competitive.
Q: How is technology used?
A: Use a number of different systems to analyse and a secure portal to share data.
[JM & R left 1832]

8 Fraud/Whistleblowing allegations

8.1 The Principal informed Governors there have been no reports.

9 Terms of reference and Calender of Business Review

9.1 Approved.

10 AOB

Confidential minute section

11 Impact and Action Review

Actions:

6.1 Governance risk register items to be discussed at Search & Governance committee (FM)

6.2 Tracker to be cleared (HC - TIAA)

7.2 Check with service provider on frequency of IT testing (SC)

12 Date of next meeting – TBC

On 4th July an extra meeting was held in person at Itchen College with EU, CC and CB present. The Financial Regulations were reviewed and ***approved****.*