

Minutes of a Meeting of the Audit Committee

Venue: STC Conference Room 1 / TEAMS

Date: Wednesday 15 February 2023

Time: 4.00pm – 5.00pm

Present: Clive Johnson (Chair)
Sheila Alexander (TEAMS)
Mark Overton
Mark Turnbull
Jackie Watson

In Attendance: Lindsey Whiterod (Chief Executive Officer)(TEAMS)(LW)
Neil Longstaff (Director of Governance)
Jane Cuthbertson (Chief Operating Officer)
Philip Church (RSM)
Hollie Adams (RSM)
Craig Scott (Director of IT)
Scott Bays (Head of MIS)
Lorraine Schapira (Head of Marketing and Recruitment)
Lynsey Whitehead (Director of Business Engagement,
Partnerships & Apprenticeships)(LWh)

ACTION TRACKER

Item	Summary of Action Required	By whom	Status	Comment / Update
Meeting of the 27 June 2022				
7.	Internal Audit Reports That the Mental Health and Wellbeing questionnaire be reissued by the College in February 2023 (one year on from the initial circulation). <u>As at 6 December 2022</u> Scheduled.	LWh		JC indicated that owing to a capacity issue within HR this matter was to be postponed until further notice. Governors agreed.
Meeting of the 15 February 2023				
7.	Internal Audit Reports ii. The Student Recruitment review report be referred to the Quality, Curriculum and Standards Committee for consideration.	LS/NL		LS presented a paper to QCS on student recruitment referencing the audit report.
	iii. The auditors be asked to review the Apprenticeship Funding report with SB in light of SB's comments and amend the report if required.	SB/PC		Not yet been corrected – however, SB accepts the evidence wasn't present but it was by omission on both sides. This has been addressed by the implementation of Aptem therefore cannot occur in the future and SB will ensure any future sample will not have this evidence missing.
8.	Audit Recommendation Tracker	JC		Nominated Mental Health First Aiders are shown in the policy

Mental health and wellbeing policy updated with list of first aiders? Target about number required? JC was to follow up.			
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MINUTES

ITEM NO.	ISSUES	ACTION
1.	<p>Meeting with Auditors in Absence of Management</p> <p>The Chair welcomed everyone to the meeting.</p> <p>RSM auditors stated that there were no areas of concern to report as staff had been fully engaged. RSM was delivering in line with the programme agreed by governors in June 2022.</p>	
2.	<p>Staff joined the meeting.</p> <p>Apologies for Absence</p> <p>There were no apologies for absence to be received.</p>	
3.	<p>Declarations</p> <p>i. <u>Declarations of Interest</u></p> <p>The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p> <p>There were standing declarations for links to Tyne Coast Academy Trust for the following: MO, CJ, LWh and JC.</p> <p>ii. <u>Business to be raised under item 10</u></p> <p>None reported at this stage in the proceedings.</p>	
4.	<p>Minutes</p> <p>The minutes of the Audit Committee meeting held on 6 December 2022 were approved and signed by the Chair subject to Mike Gibson (RSM) replacing Rob Barnett as being in attendance.</p> <p>Matters arising not covered on the agenda or tracker</p> <p>As shown on the Action Tracker in minutes dated 6 December 2022 and as follows:</p> <p><u>Action Tracker 9. - Subcontractor Audit actions</u></p> <p>The purpose of the report was to provide the Audit Committee with an update on the actions from the Subcontractor Audit that took place in July 2022.</p> <p>A summary of each action derived from the audit, with an associated comment, outlining the progress to date was reported and noted.</p> <p>LWh highlighted Action 5 and provided an update indicating that this would be further enhanced with the appointment of a Director of HE. All other actions had now been closed.</p>	

	<p>Q. Purpose of Subcontracting Supply Chain Fees and Charges Policy? Requirement where colleges had a FE contract and this needed to be posted to the website. This was a policy setting the framework for establishing fees. It was noted that there was a separate fees policy.</p> <p>Resolved: That the Committee agree to receive this paper for information.</p>	
<p>5.</p>	<p>Committee Workplan 2022-23</p> <p>The purpose of the paper was to provide an update to the Committee on the Workplan for 2022/23.</p> <p>Resolved: That the Committee note the changes to the plan.</p>	
<p>6.</p>	<p>Information Security Policy</p> <p>The purpose of the meeting was to seek approval for updates to the Information Security Policy identified during its scheduled review.</p> <p>CS reported that:</p> <ul style="list-style-type: none"> • The Policy defined the College’s arrangements in respect of control measures to protect data. • There had been no significant updates, with only superficial changes to wording for readability and an update of job titles being made. <p>Governors felt that this was a robust policy and auditors were of the view that this was a comprehensive document.</p> <p>Resolved: That the Information Security Policy is approved, as presented.</p>	
<p>7.</p>	<p>Internal Audit Reports</p> <p>The reports detailed below were presented to the members of the committee.</p> <p><u>7.1 Internal Audit Progress Report</u> Governors were reminded that the Audit Committee had approved the Internal Audit Plan for 2022/23 at its meeting on 27 June 2022.</p> <p>This report was to provide a summary update on progress against that plan.</p> <p>No issues had been encountered at this stage.</p> <p><u>7.2 Student Recruitment Review</u> RSM undertook a review of Tyne Coast College’s student recruitment process (with the focus being South Tyneside site) to determine whether the College had adequate systems and controls in place to keep applicants “warm” from their initial application to the funding cut-off period in November to minimise attrition rates.</p> <p>As a result of the review, six management actions were agreed consisting of three low priority management actions and three medium priority actions.</p>	

Taking account of the issues identified, the Committee was informed that it could take reasonable assurance that the controls upon which the organisation relied to manage the identified risk were suitably designed, consistently applied and effective.

Q. Re Action 6 (attrition to understand the reasons why students are not enrolling) does the College conduct exit interviews? It was commented that there was a requirement to understand the destination of each learner therefore the MIS team gather this information to ensure a correct return on the ILR. Once enrolled students could not opt out of questionnaires from the College asking where they had gone and were not removed from any register until this information was known. Governors were also reminded of the learner voice surveys and meetings where feedback was received.

LS indicated that the admissions team had been realigned to the Marketing Dept to map out a more concise customer journey. LS welcomed this report as it focussed her attention on where improvement was needed.

A governor commented that it was good to see work being conducted to ensure the product was right for the customer.

LS outlined the contact made with students as part of the recruitment process.

Q. How many dropped out due to a lack of attention? LS had information regarding applications overall and how many were successful and of those successful applications how many enrolled and at what point they left.

Q. Scale of seriousness i.e. what a medium risk might be? The 'opinion' within the report should be the first port of call as this gave an indication as to whether it was a positive review overall (reasonable or substantial audit) or whether there were some concerns (minimal or partial assurance).

Q. 14 day target achievable? Already been implemented as a hard target.

Q. How do we quantify if someone accessed website and then enrolled? Visits to the website were counted but individuals could not be identified or tracked unless they completed an application.

Q. Functionality within EBS? The use of the system to record and evidence communications made as part of the 'keep warm' timeline to ensure that communications were sent to applicants in line with the timeline and enable the College to analyse its effectiveness was being explored.

Q. Action 6 – reason for not doing? This wasn't functionality but more to do with each team working in isolation but marketing was now pulling this together.

7.3 Apprenticeship Funding

It was reported that the College was responsible for ensuring compliance with the Funding Rules that formed part of the terms and conditions of the funding agreement between the Education and Skills Funding Agency (ESFA) and the College. This review had been undertaken in accordance with the ESFA's assurance methodology, which was designed to ensure providers managed the key risks relating to the ESFA's funding and that public funds had been used appropriately and for the purposes for which they were intended.

The review involved sampling 20 apprenticeships (from May 2017) learner files to confirm that the College was in compliance with the 2021/22 Funding Rules.

Overall, auditors identified the following areas of non-compliance with the funding rules which could result in a funding error:

- In three cases the individuals had no evidence of on-programme activity for over four weeks (maths and English).

	<ul style="list-style-type: none"> For all learners in the sample, auditors could not confirm the negotiated price was broken down into eligible items as per the funding rules. <p>Actions agreed with management, of which there were five, to address the issues raised were detailed within the report.</p> <p>Responding to a question the auditor commented that she had been surprised that the second key issue had arose and it was something that the College needed to address. SB reported that this had never been brought up as part of the audit and was surprised that this was an action in the report as he had the evidence to support this but was never asked. SB indicated that this was only added as part of quality assurance.</p> <p>A governor reminded the Committee that apprenticeships had previously been a concern to the Board and if there remained a query in this area it needed to be sorted as soon as possible.</p> <p>Q. All actions in place now? SB confirmed that they were.</p> <p>Q. How does it rate against other colleges that you cover? The negotiated price finding was a surprise but the first key finding was in line with a lot of other colleges.</p> <p>HA responded to points for clarification from the Chair and SB.</p> <p>Resolved:</p> <ol style="list-style-type: none"> That the Committee accepted the audit reports as presented. That the Student Recruitment review report be referred to the Quality, Curriculum and Standards Committee for consideration. That the auditors be asked to review the Apprenticeship Funding report with SB in light of SB’s comments and amend the report if required. 	<p>LS/NL SB/PC</p>
<p>8.</p>	<p>Audit Recommendation Tracker</p> <p>The Director of Governance presented the tracker for governors’ consideration.</p> <p>The document identified any recommendations which were deemed a high or medium risk, which were either due/overdue for implementation or could be removed if completion had taken place. All personnel who were shown on the list with outstanding issues had been asked to advise if there had been any further progress and the tracker had been updated accordingly.</p> <p>It was reported that one of the three actions had been completed with the remaining two expected to be closed by the time of the next meeting.</p> <p>Q. What happens to low priorities that don’t get actioned? This would be picked up by auditors as part of the annual review and could be regraded to a higher level if there was concern around a particular action not being implemented otherwise it was for management to assess as to whether the action would enhance systems/processes. It was noted that Low Actions tended to be of low risk.</p> <p>Q. Mental health and wellbeing policy updated with list of first aiders? Target about number required? JC was to follow up.</p> <p>Resolved: That the report is received and accepted.</p>	<p>JC</p>

9.	Feedback from Business and Stakeholder Groups None.	
10.	Any Other Business None.	
11.	Date and Time of Next Meeting Wednesday 14 June 2023 at 4.00pm	
12.	Identification of Confidential Items None.	

Signed:

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