

Governing Body Minutes

Meeting	Audit Committee	Date	13 th June 2017
Location	Boardroom, Yarrow Executive Suite, Broadstairs	Time	9.30am
Membership	Tim Kent (Chair), Tom Price (Vice-Chair), Charles Buchanan, Gail Clarke (via teleconference) and <i>Tracey Percy (Co-Opted)</i>		
In Attendance	Chris Legg (Officer) Paul Sayers (Officer) Lauren Anning (Item 5) Mike Snell (Item 6) Tara Ashman (Clerk)		

***Italics denotes absence*

	ITEM	COMMENTS	ACTION POINT REQUIRED
1	Welcome and Apologies for Absence	The Chair welcomed members to the last Audit meeting of the academic year. Apologies were received from Tracey Percy.	
2	Declarations of Interest	There were no additional declarations at the meeting.	
3	Minutes of meeting held on 6th March 2017	The minutes of the meeting held on 6 th March 2017 were approved as an accurate record of the meeting and duly signed by the Chair. A Governor asked that the Yarrow Report and Apprenticeship readiness presentation be recirculated, the Clerk to action.	Clerk
4	Matters Arising	Short and Long Term Absence - CL demonstrated the internal College absence report to members which is broken down in a number of ways for use by different departments in the organisation. CL noted the Bradford Factor policy and the Clerk will circulate this to members after the meeting for information. The CPIs are the first point of call to flag any issues and members asked for further assurance in whether the increase is due to short or long term sickness. The Committee agreed that a representative from HR be	Clerk

		<p>invited to the next meeting to take members through the Bradford Factor policy and how the measures and trigger points work in reality.</p> <p>Health and Safety Near Misses - members discussed the update from Alison Gray and agreed that this should form part of the agenda of the next Risk, Audit and Compliance Committee to feedback any near misses over the last six months and report back to the next Audit Committee in the Autumn.</p> <p>Yarrow - CL clarified the position on apprenticeships with the levy funding going to the College as it is for the individuals training not to pay an apprenticeship salary. It is not the College's intention to transfer this money into the Yarrow for this reason. The work experience for the students within the hotel is not optional and is a fixed cost to the Yarrow however the Head Chef is continuing to be imaginative in developing the skills and knowledge base for the students including foraging and product creation.</p>	<p>Agenda</p> <p>RAC Agenda</p>
5	<p>Internal Audit Report - 16/17 ILR Audit</p>	<p>LA presented the report drafted by Alan Howe to update members on the Colleges readiness should it receive an external funding audit. The last audit took place on 2015 and the College has worked hard to meet all the outstanding actions following that review. The most significant change in process has been the staff auditing other campuses which offers not only a more independent check but training and development for staff. LA advised that after a sample of records were checked it was decided a full check of all students records would be undertaken with 3 areas of concern identified, 1. Learners address details, 2. Unsigned learner agreements, 3. Incomplete records for advanced learner loans. Members discussed their own experience of audit and sharing of good practise including front cover check sheet, CL advised this is already in place. Members considered what the biggest risks would be should an audit take place and PS assured members if there was a systematic issue then they would start extrapolating data however PS feels it is unlikely there would be anything systematic.</p> <p>A Governor asked what would trigger an ILR audit. PS advised it would either be a random sample or the College would be selected if presenting a higher risk of intervention; if East Kent College were to be selected it would be a random sample.</p> <p>The Chair thanked LA for her attendance.</p> <p>[Lauren Anning left the meeting at 9.43am]</p>	
6	<p>Internal Audit Report -</p>	<p>[Mike Snell (MS) joined the meeting at 9.43am]</p>	

<p>Education, LAB and Carver</p>	<p>The Chair welcomed MS to the meeting, having stayed in the Yarrow Hotel the previous night MS was very complimentary about the hotel and its work with the students.</p> <p>The Chair invited MS to take members through the key points of the report. MS noted that there were no face to face meetings and no attendance at any meetings although he had received a wide range of documents, agendas and papers in support of the review.</p> <p>MS reported no negative response to the review or indeed the Local Advisory Boards (LABs) as an initiative however it was recognised it is early days and some recommendations within the review can be quickly resolved. The current level of risk with the LABs is low largely due to its lack of delegated powers and on the back of an excellent Ofsted report; MS noted the level of risk could increase with a 12 membership board post-merger. A Governor asked why this would increase the level of risk. MS surmised the intention was not to have a Governor on the LAB however most individuals he spoke with felt it was essential for a Governor presence on the LABs. With the Ofsted Inspectors keen on the LAB model and a diverse campus based College, in terms of strategy there could be consideration for subsidiary Governing Bodies in the longer term.</p> <p>MS highlighted the following recommendations, which were discussed at length:</p> <p>Increase Stakeholder Representation - There is currently on average 2 representatives on each LAB, going to 4 would assist with the pressures of time on external stakeholders. The Campus Principals have not found it easy to engage local stakeholders and there will be more support for this in the coming year.</p> <p>Encourage a risk based approach to LAB agenda items and discussion - Currently there is a lot of paperwork generated by the Campus Principal and there needs to be a restatement of what stakeholders can contribute and gain, feedback is that there is too much going through the agendas. The Clerk noted that the only additional report to those already generated for management meetings is the Campus Principal update.</p> <p>LABs and other Governor Engagement - MS was keen to remind members that the LABs were designed to give assurance to the Governing Body of the work of the campuses from an education perspective; some of the reports back to the full board are verbal updates (learner walkthroughs etc.) and these could be more purposeful by introducing a short report to the main board.</p> <p>Stakeholder Induction - There needs to be a clear induction process for stakeholders so they are clear on their role within the meeting. Stakeholders should also have the opportunity to have more debate on the agenda items being brought to the next meeting.</p> <p>Consistency in Minute taking - there was an inconsistency in minutes across the boards and many members of the LABs were not even aware of the summary report that went back to the main board.</p>	
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7	College Performance Indicators	<p>Staff absence was discussed earlier in the meeting. CL presented the remaining CPIs relevant to Audit Committee and invited questions.</p> <p>A Governor asked for clarity on how CM29 (Outstanding Audit Points) was measured. CL advised all recommendations from audit, management responses and actions go through a log of audit points at the internal Risk, Audit and Compliance Committee where there is discussion on whether each individual action has been met. PS advised now the ILR check has been 100% completed he would expect to see this reflected at the next meeting.</p> <p>Members discussed the CPI targets and distance travelled with a number of arrows on a downward trajectory. This will be raised at the next FGB meeting as a concern for the full board.</p>	Chair

8	Risk, Audit and Compliance Committee Report	<p>CL noted the Risk, Audit and Compliance minutes and invited questions.</p> <p>A Governor asked if the Fire Risk Assessments are undertaken internally or externally, CL believes they are internal although the College has sought external assurance in the past. Members discussed the recent re-procured insurance cover, the College has been braver with challenging the insurers and cited the lightning conductor at Dover as an example, a saving of £40,000 to the College.</p> <p>Governors expressed concern at how the minutes could be interpreted in compromising fire health and safety due to budgetary constraints and asked for assurance as to whether the recommendations were not followed up or if the College took a view on the recommendations themselves. CL challenged this at the last meeting and will follow it up at the next; any outstanding actions from fire risk assessments will be brought back to this committee under matters arising.</p>	CL/Matters Arising
9	Risk Management Report	<p>PS reminded the Committee that this report correlates all the key risks and mitigating actions taken from the management meetings, internal audit reports and discussions within the Full Governing Body. PS led members through the changes to the risk register and questions were invited.</p> <p>A Governor asked if the Local Advisory Boards should feature and PS agreed to review this.</p> <p>A Governor asked if risk 2 (failure to provide a safe College) and the increased residual risk was related to student behaviour rather than the student profile, in particular high needs funded learners. PS advised both are connected and recognised a need for wider debate on high needs and supported learning to reflect the risk. PS will review the wording of the risk to capture both areas of student behaviour.</p> <p>The Chair asked about the movement map that was previously included; with the movement arrows now appearing within the report PS will look as to whether this can be reintroduced for next academic year.</p> <p>PS presented the ESFA letter written by Peter Lauener, Chief Executive, for noting and discussion, advising this had been considered from a management perspective. Governors noted the content of the letter and felt assured there was nothing that wasn't being covered.</p> <p>NOTED - Members noted the ESFA letter of 13th April 2017 and its content</p>	<p>PS</p> <p>PS</p> <p>PS</p>

10	Internal Audit Plan Budget Update 2016-2017	<p>CL reported an underspend within the internal audit budget with the saving from the ILR audit work being undertaken in advance of Ofsted. The executive have been considering engaging a third party to review the loss of students from application through to the first six weeks of their programme. There are a number of risks around the student experience and, with the focus on transforming the College offer, looking at how we engage with our customers from day one is critical.</p> <p>A Governor noted that a key target group for this audit would be to engage with those who have left at a stage in the process. Members discussed the initial scope and breadth of research and agreed that this would be a good use of internal audit funds.</p> <p>CL noted, given the direction of merger, that this work could be jointly commissioned with Canterbury College and members were in agreement. Members approved this review subject to the scope being circulated outside of the meeting.</p> <p style="text-align: center;">APPROVED - Members approved the Internal Audit Report on the End to End Student Experience</p>	CL
11	Draft agenda for the next meeting	<p>The draft agenda items were approved for the next meeting, the Clerk invited discussion on the Audit Committee during the Autumn term pre-merger. CL noted it is hoped that year end will be extended for Canterbury College and, should merger take place on 31st December, this report would come to the Audit Committee of the spring term.</p> <p>In addition to the items proposed the following are to be included on the agenda:</p> <ul style="list-style-type: none"> • Internal Audit Report - End to End Student Experience • HR Report on Sickness - process and impact <p>Using the suggestion from Mike Snell in regards to the Local Advisory Boards the Chair asked members to agree the items to be reported back to the Governing Body, these being:</p> <ul style="list-style-type: none"> • College Performance Indicators - direction of travel • Internal Audit Report - Carver, Education and LABs • ESFA Letter 	
12	Any Other Business	<p>Members discussed the recent terrorist attacks and the security review document which the Clerk had circulated to all Governors outside of the meeting. CL advised that the executive have considered some of</p>	

		the recommendations and have agreed to perimeter fencing at Folkestone and Broadstairs campus as a security measure. The Yarrow Hotel, nursery and the visitor parking would fall outside of the footprint of the fencing at the Broadstairs campus.	
13	Date of Future Meeting	The cycle of meetings is to be agreed at the next Full Governing Body meeting.	

There being no further business the meeting closed at 11.24am

Signed: Position: Date: