

# MINUTES

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**Directorate:** Governance

**Minutes of:** Audit Committee

**Date:** 27 June 2018      **Time:** 09.30

**Venue:** Executive Meeting Room, Uxbridge Campus

**Present:** Mike Cox (MC)      Governor (Chair)  
Tracey Critchley (TC)      Governor

**Apologies:** Nasim Khan (NK)      Governor  
Ketan Sheth (KS)      Governor

**In attendance:** Gavin Hughes      Dir Curriculum, SEND, Safeguarding & Prevent (*Item 7 only*)  
Vikash Patel (VP)      Head of Finance  
Tracy Reeve (TR)      Clerk to the Corporation  
Sara Sands (SS)      Group Director Finance & Resource Planning  
Laraine Smith (LS)      Group Principal & CEO

## 1. Chair's Agenda Item

There was no Chair's agenda item.

## 2. Apologies for absence

Apologies had been received from Nasim Khan and Ketan Sheth.

## 3. Notification of any urgent items members may wish to raise under Any Other Business

There was none.

## 4. Notification of Interests Members may wish to declare relating to any item

No interests were declared.

## 5. Minutes of the meeting held on 28 February 2018

The minutes were approved and signed by the Chair.

## 6. Matters arising from the minutes of the meeting held on 28 February 2018

### • Internal Audit Report, TIAA: Key Financial Controls (Minute 7 page 1)

The meeting received a verbal report from the Group Director Finance and Resource Planning (GDFRP). SS informed the meeting that the final visit report from TIAA from their review of Key Financial Controls week commencing 8<sup>th</sup> January was not yet available. It was noted that the College's contact SL had now left the company and TIAA had not yet finalised the report. However, SS assured the meeting that the recommendations from the draft report had been taken on board by management. Governors were reminded that several of the recommendations would fall away now Harrow College were coming onto the same finance system as Uxbridge. The meeting agreed that the Key Financial Controls (KFC) audit for 2018/19 would need to be sourced from an alternative internal audit service (IAS) provider.

**The verbal report was NOTED.**

**It was AGREED that the annual internal audit on Key Financial Controls would be sourced from an alternative IAS provider in 2018/19.**

There were no other matters arising that were not already covered by the agenda.

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## 7. Safeguarding Audit

The Director Curriculum, SEND and Safeguarding joined the Audit Committee meeting to discuss the recent audit of Safeguarding that had been undertaken by Dr Dan Grant of Leaders in Safeguarding on 19-23<sup>rd</sup> March 2018. Audit Committee members were reminded that this was the third comprehensive audit of safeguarding commissioned from Leaders in Safeguarding (previously undertaken on a bi-annual basis by Uxbridge College). During the rigorous audit Dr Grant had spent a week at HCUC and had spoken to numerous members of staff. The meeting considered the report which provided a detailed summary of Dr Grant's assessment of HCUC against the following 16 key standards:

- Clear lines of accountability for safeguarding children and vulnerable adults;
- Committed governance arrangements and quality assurance processes;
- Full compliance with all relevant statutory requirements and guidance;
- Comprehensive, clear and effective safeguarding policies, procedures and systems;
- Effective and appropriate information sharing;
- Highly effective inter-agency working;
- Safer recruitment practices;
- Highly effective supervision and support;
- High quality staff training and continuing professional development;
- Very good staff awareness of safeguarding arrangements and effective day to day practice;
- High priority is given to safeguarding the most vulnerable groups;
- Accessible and effective whistleblowing procedures;
- Full and effective implementation of the Prevent Duty;
- Precise recording of information and concerns;
- Good understanding of the requirements for confidentiality; and
- Effective risk assessment and risk management arrangements.

GH highlighted the statement in the detailed notes, 'HCUC has a strong and effective culture of care and concern for learners'. The meeting considered the detailed recommendations, some of which were more significant than others (higher priority highlighted in red below):

- Improve HR functions by:
  - ensuring that Job advertisements make clear that safeguarding is a high priority at the college
  - **taking up a minimum of 2 references for all job applicants**
  - displaying posters to raise awareness of the whistleblowing policy
  - **making appropriate use of the overseas criminal records check facility on Gov.com**
  - swiftly closing down IT access for staff who cease employment at the college.
- Formalise the process of learning lessons from past safeguarding cases by including this as a standing agenda item at appropriate meetings and linking this to the planning of staff training.
- Ensure that the safeguarding policy covers the college's apprenticeship provision, perhaps by adding a further appendix.
- Ensure all staff and governors maintain a good understanding of safeguarding and the risks of radicalisation and extremism through **regular high quality training at least every 2 years.**
- Introduce CPD for the security team with a view to offering training, qualifications and licences; possibly through the apprenticeship levy. Also, aim to recruit female security officers.
- Ensure trees do not obscure CCTV coverage of the back entrance to the Hayes campus.
- Ensure all staff and learners observe the rule of wearing their ID badges by constant reinforcement.

- Mitigate the risks posed by learners by extending the enrolment DBS requirement to Harrow.
- Mitigate the risks of inappropriate use of the internet by upgrading computers at Harrow to host Impero software.
- Ensure compliance with data protection law at Harrow by not keeping safeguarding records too long.
- Ensure that safeguarding records at Harrow clearly identify which learners require monitoring, support and review to mitigate risks.
- **Review the safeguarding team structure at Harrow with a view to introducing a structured casework model to follow up concerns and to ensure learners remain safe.**
- Ensure that any risks posed by external speakers are thoroughly assessed and recorded.
- Consider using a more varied range of Prevent learning resources to ensure all learners have access to information that matches their needs and interests.
- Do more to promote the whistleblowing arrangements so that staff and learners understand that there are clear that senior leaders are committed to being open and serious about safeguarding.
- Complete and adopt an effective lockdown procedure for the Harrow campuses.

GH confirmed that he had discussed the report with NK as he was the nominated HCUC Link Governor covering the Safeguarding remit. He had also briefed the two members of the individual College Stakeholder and Scrutiny Committees who were the nominated 'governance' leads on Safeguarding at each of the Colleges (LW and MC). The meeting was informed that, at the request of College management, Dr Grant would be returning to HCUC in autumn 2018 to follow-up progress on the recommendations. The report from this follow-up visit would be brought to the Audit Committee in November 2018. The Chair sought confirmation on whether the College planned to action all the recommendations. It was noted that this was the intention but there were currently some obstacles to full implementation eg. the current Harrow college computers would not support the Impero software but could not all be replaced immediately. The meeting was given assurance that all of the recommendations had already been included on the Audit Committee register of outstanding audit recommendations to enable Governors to monitor implementation of the recommendations. GH informed the meeting that the SLT were currently considering applying for a quality mark for HCUC in relation to Safeguarding; Governors supported this proposal and agreed it would be a good 'badge' for the College to have.

***The Safeguarding Audit report was NOTED and RECEIVED. A follow-up visit report would be brought to the Audit Committee in November 2018.***

#### **8. Review of previous audit recommendations**

The Head of Finance (VP) presented a report on progress against the recent audit recommendations. The meeting was reminded that there had been no external audit recommendations for the last 3 years. The meeting noted the 12 remaining recommendations from the Funding Audit of Harrow (HC) and Uxbridge Colleges (UC) in autumn 2017: 4 of these were now complete and the remaining 8 would be completed by July 2018. The meeting was informed that systems had now been put in place at HC to replicate the funding checks undertaken at UC; these would all be undertaken in advance of the final ILR 2017/18 being submitted in October 2018. Governors noted that the 20 recommendations from the recent Safeguarding audit had already been included on this monitoring document, 11 of which were already completed.

***The report was NOTED.***

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## 9. To receive report on any fraud/corruption issues and additional work required by auditors 2017/18

- **Fraud**

There had been no attempted fraud or corruption issues to report.

- **Additional work undertaken by auditors**

There had been no additional work carried out by auditors since the last Audit Committee meeting.

**Noted**

## 10. Review of Audit Strategy 2017/18

The meeting noted an update on progress against the Internal Audit Plan 2017/18. The report confirmed that there had been no changes to the plan for the current year as originally approved by the Audit Committee at the start of the year and by the Corporation in December 2017. Governors were reminded that the individual internal audit budgets of the two Colleges had been amalgamated for 2017/18, with no savings anticipated for the first year of operation post-merger. Areas covered by the internal audit plan 2017/18 were noted as: Key Financial Controls (including the new payroll system); Funding compliance (including compliance with requirements of the study programme); Safeguarding (last completed in January 2016); and Health and Safety (last completed June 2016). Governors were reminded that a budget of £55,220 (£26,820 from Harrow and £28,400 from Uxbridge) had been included 2017/18 to allow for the planned audits and any ad hoc audits, which might be required post-merger. To date £29,826, had been spent. The meeting noted an update on progress to date: Key Financial Controls audit by TIAA had been undertaken in January 2018; the audit of Safeguarding and Prevent by sector specialist Dr Dan Grant had taken place week commencing 19<sup>th</sup> March 2018; Health and Safety would be audited by AEGIS Safety Consultants Ltd. (July 2018); and the Funding compliance audit in both colleges would take place in the autumn term (October 2018 date to be confirmed). GDFRP informed the meeting that a proposed strategy for internal audit 2018/19 would be presented to the Audit Committee in September 2018.

**The report was NOTED.**

## 11. Risk Register Update

The meeting noted the two separate College Risk Registers that were both now in the format previously used by Uxbridge College: these had the risks aligned to the Corporate Goals of each college. GDFRP confirmed that now the HCUC Strategic Plan had been agreed there would be one HCUC Risk Register presented at future meetings. The meeting considered the two Risk Registers and noted that they showed significant and contingency risk only. These Risk Registers were reviewed regularly through HCUC Senior Leadership Team (SLT) and Executive team meetings. The Principal informed the meeting that the separate Risk Register aligned to the Post Merger Action Plan 2017/18 would be presented to the July 2018 Corporation meeting and then closed.

The meeting considered the summary report that highlighted the key risks:

### Harrow College and Uxbridge College Risk Registers

The meeting noted that the significant risks (rated 12 and above) in both Colleges all related to difficulties with staff recruitment and achievement of funding:

- Insufficiently qualified and equipped staff to support the delivery of study programmes and quality outcomes for learners
  - Problem areas noted as: Harrow, Health & Social Care and LLDD; Uxbridge, Business, Health and Social Care, Engineering (ME), Learning Support

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- Failure to recruit to meet 16-18 enrolment and AEB income targets.
  - Recruitment to date was noted as:
    - Harrow
      - 16-18 learner numbers actual 1848 v target 1960
      - 19+ funding target £4,334,000: shortfall of £832,000 anticipated
    - Uxbridge
      - 16-18 learner numbers actual 4098 v target 4068
      - 19+ funding target £2,842,000: shortfall of £200,000 anticipated
- WBL 16-18 and 19+ apprentices target not met including in-year variation; May – December shortfalls now confirmed
- Underachievement of funding targets – as above
- An additional risk in Harrow related to apprentices: Apprenticeship (WBL) performance falls below Minimum Standards (MS) impacting funding contract.
- An additional 3 risks were significant at Uxbridge:
  - WBL Overall Success rates compromised and fall below the respective National Average (NA) or provider national average (PNA) threatening college reputation and ability to secure future funding.
  - International income fails to meet financial targets due to unforeseen events; shortfall was now only £22,000.
  - Poor learner behaviour leads to higher withdrawal and lower retention.

The Chair sought some clarification on why the enrolment had been below target for 2017/18 and the meeting discussed the issues around flat 16-18 demographics until 2020 and a previous lack of flexibility in the curriculum at Harrow College. The Principal assured Governors that a thorough enrolment process was now in place at both Colleges for September 2018 that would ensure that all 16-18 learners were categorised correctly and that enrolment numbers were maximised.

***The Risk Registers were RECEIVED.***

## **12. To confirm and agree the dates and times for the Audit Committee meetings in 2018/19**

The provisional dates and times of the meetings were noted as follows:

- Thursday 20 September 2018 at 9.30am
- Wednesday 28 November 2018 at 9.30am
- Wednesday 6 March 2019 at 9.30am
- Wednesday 26 June 2019 at 9.30am

## **13. Any Other business**

There was no other business.

The Audit Committee meeting closed at 10.45am.

Signed .....

Date.....