

THE TRAFFORD COLLEGE GROUP

**Minutes of the Audit Committee Meeting
held at 6.00pm on Wednesday 26 April 2021 Via Microsoft Teams**

Present:	Jed Hassid Ian Duncan Brian Bradley Heather Lang	(Chairperson)
In Attendance:	Barry Watson Andrea Bennett Natalie Hinchcliffe Anthony Gribben-Lisle Darryn Hedges Brian Welch Simon Hannett Carmen Gonzalez-Eslava	(Corporation Secretary) (Director of Finance & Strategy) (BDO) (Data Protection Officer) (Interim Chief Finance Officer) (BDO) (Director of MIS) (Deputy Principal)

Minute No

Prior to the commencement of the meeting the Chairperson welcomed Heather Lang to her first meeting as a newly appointed Independent member of the Board of the Corporation.

The Chairperson also welcomed Darryn Hedges (Interim Chief Finance Officer) Simon Hannett (Director of MIS) and Brian Welch (BDO) to the meeting.

AUD/01/21 Apologies for Absence

The Corporation Secretary (CS) reported that apologies for absence had been received from Dawn Cole.

AUD/02/21 Declarations of Direct or Indirect Interest in any of the Meeting's Business Items

There were no declarations of either Direct or Indirect Interest in any of the meeting's business items

AUD/03/21 Minutes of the Meeting held on 25 November 2020

The minutes of the meeting were approved and accepted as a correct account of the meetings proceedings subject to a minor spacing textual amendment to Minute Number AUD/46/20 – Declarations of Interest.

The Corporation Secretary undertook to amend the minute as agreed.

Action: Corporation Secretary

AUD/04/21 Matters Arising from the Minutes

There were no matters arising from the minutes that had not been actioned or were covered as part of the agenda for the meetings business items.

Minute No**AUD/05/21 Data Protection Policy 2021-2023 and Data Protection Progress Report April 2021**

The Data Protection Officer (DPO) presented a report which provided members with an overview of the latest position regarding Data Protection and its effectiveness across the Group.

The report also included a copy of the updated Data Protection Policy for the period 2021-2023 for the Committees review and recommendation to the Board of the Corporation.

The DPO provided the Committee with an overview relating to the following issues:

- The Data Protection Framework and the increase in the use of Blended Learning across the Group.
- Merger progress update.
- Training for Staff.
- Subject Access Requests.
- Data Breaches.

The DPO also advised that a review of the Data Protection Policy had now been undertaken and that discussions with Trades Unions had taken place regarding the use of Data Images to a satisfactory conclusion.

He advised the Committee of the main issues arising from the Policy review which were as follows:

- The main change related to the addition of a new section on images and recordings and advised of the process that had been undertaken and discussions that had been held regarding the inclusion.
- A small update with respect to the post Brexit position.
- Minor amendments that had been made to the current Policy following feedback from Cheadle and Marple Sixth Form College (CAMSFC).

Members raised several issues arising from the report as follows:

- A member asked for further clarification around when staff training would be completed

The DPO provided the Committee with an overview of the the progress that had been made to date for Data Protection training across the Group which included on line training and face to face training for all staff and specific focused training for the Data Link Co-ordinators which had been completed.

He further advised that the Group was now reaching the point of completing the full cycle with some further work still to be done at CAMSFC, but that training would continue to be on going with new starters and refresher training.

Minute No

- A member asked that, regarding Data Breaches, as they were self-referring, how could the Group be sure that they were all captured.

The DPO explained to the Committee the extensive processes that are in place and the levels of training resulting in high awareness levels that provided assurance around data breach referrals.

- A member sought clarification regarding paragraphs 7.4 and 7.5 of the Data Protection Policy and what the Policy meant in terms of more open arrangements for the security and retention of the images and recordings.

The DPO advised that this related to the difference in the CCTV images and those recorded during lessons which were more openly shared.

He further advised that this issue had been extensively consulted on with the Trades Unions.

- A further member asked about a policy covering images such as those for example recorded by parents. The DPO advised that the Policy was as not as wide as that and explained that the Group could only control its own data activities. He further advised of the work undertaken with students by staff in terms of the Student Code of Conduct to ensure good practice and behaviour in this context.
- A member asked about special category data and whether the Group had a specific data collection Policy. The DP advised that it did not but that the requirements were met through the information assets register and explained that this ensured compliance for the Group.
- A member asked about the Groups responsibility to comply with requests to assist the Police with access to a range of data. The DPO explained in detail the process that would be undertaken with such requests and detailed the Groups legal responsibilities in this context to the members satisfaction.
- A member sought clarification regarding the clause in the Policy (19) relating to International Transfers and the transferring of data to other countries who are designated as having an adequate level of protection and how that designation is determined.

The DP advised on the practical implications of the clause which allows the Group to rely on decisions made by individual countries. In discussion it was suggested that it might be helpful to include the source of designation and the DP agreed that it could be included in the procedural aspects of the implementation of the Policy as a cross refence.

Action: Data Protection Officer

There were no further issues raised by members arising from the report and after due discussion and consideration it was unanimously resolved that the Data Protection Policy 2021-2023 be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation

Minute No**AUD/06/21 Internal Audit Progress Report**

The Internal auditors (IA) presented a report which advised the Committee on the performance to date against the Internal Audit Plan for 2020/2021.

The IA provided the Committee with a summary of the actions that had been completed to date which were as follows:

- The completed audit reports which were on the agenda of the meeting.
- The Marketing and Communications report had been completed as was currently with the management team for comment and would be presented at the next meeting.
- The Capital Project Review audit had started and would be presented at the next meeting.
- The Review of Learning Curve (Subcontractor) would be presented at the next meeting.
- The outstanding reports that were still to be undertaken including T Levels, Higher Education and Follow Up.

The Director of Finance and Strategy advised the Committee of a new and emerging risks in relation to the subcontracting provision with Learning Curve and Covid19. Regarding the Learning Curve development, the Director of MIS (DMIS) provided the Committee with details of reasons for the required investigation including the involvement of GMCA. The Chairperson asked about access to the audit outcomes and the DMIS advised that this would be considered later in process.

In discussing the impact on the additional audits on the Annual Audit Plan it was advised that it could be covered through contingency and or the delay of the some this year's audits into the following year.

In discussion it was agreed that the presentation of this year's audit reports would not be completed by the next Committee meeting so an additional meeting would be required in September 2021.

The purpose of the meeting would be to receive the final audit reports for the 2020/2021 Internal Audit Plan and the Internal Auditors Annual Report for 2020/2021.

Action: Corporation Secretary/ Internal Auditor (BDO)

A member commented that he did not recall seeing the internal audit report concerning Remote Learning Opportunities and Quality and asked if it had been presented to the Committee.

The IA advised concerning the background to the report and the late response of management comments.

In discussion it was agreed that the IA would liaise with the CS to ascertain the current position and undertake the necessary action once the position had been clarified.

Action: Corporation Secretary/ Internal Auditor (BDO)

Minute No

There were no further issues raised by members arising from the report and it was resolved that it be noted.

AUD/07/21 Internal Audit Visit 1 2020/2021

The Committee received the IA's Internal Audit report (Visit 2020/2021) as follows:

- **AEB Learner Records**

The IA advised that the audit had focused on the Adult Education Budget (AEB) and considered the increased administration and monitoring requirements in 2020-2021 due to devolution.

The IA advised that over all they had noted some good areas of practice during the audit particularly regarding staff training, pro solution data input and ILR gaps and error testing.

It was further advised that there were some areas of required improvements in the Groups controls for AEB and that there were **2 medium significance and 4 low recommendations** arising from the report which had been agreed and implemented by management.

It was further advised that the level of assurance for **Design was Moderate– Blue and for Operational Effectiveness it was Moderate – Blue.**

Members raised an issue arising from the report as follows:

- A member asked about the appropriateness of the medium significance rating for learner eligibility in terms of identification checks given that 9 out of 15 learners sampled had not been covered. The IA advised that it was clear that the checks had been undertaken but that there was no evidence to support this and that the process was formed in an inconsistent way. The DMIS commented that the outcome was not acceptable and advised of the revised enrolment process which would prevent such occurrences in the future. The member asked if the auditor would follow up on the new and improved enrolment procedure to confirm that improvements were impacting effectively. The IA confirmed that they would, and it would be part of their follow up report this year.

Action: Internal Auditor (BDO)

There were no further issues raised by members arising from the report and after due discussion and consideration it was resolved that it be recommended to the Board of the Corporation for approval

Action: Board of the Corporation

- **Treasury Management**

The IA advised that the purpose of the review was to provide assurance that appropriate arrangements were in place and operating effectively regarding Treasury Management.

Minute No

Minute No

The IA further advised on the scope of their work and the substantial numbers of areas where good practice had been evidenced. The IA commented that it had been a very positive audit with only **one recommendation of low significance** which had been agreed with Group management

It was further advised that the level of assurance for **Design was Substantial-Green and for Operational Effectiveness it was Substantial – Green.**

In discussion regarding the recommendation concerning the Treasury Management Policy it was agreed that an updated and reviewed Policy could be produced prior to August 2021.

Action: Interim Chief Finance Officer

A member commented that with regard to the substantial assurances from the report then the determination aligned with her observations on the report particularly with regard to the merger work and implications on cash and the general quality of the work of the team contributing to such a positive outcome.

There were no further issues raised by members arising from the report and after due discussion and consideration it was resolved that it be recommended to the Board of the Corporation for approval

Action: Board of the Corporation**AUD/08/21 Board Assurance and Risk Management Framework 2020/2021- Update April 2021**

The DFS presented a report, which updated the Committee in respect of the Board Assurance and Risk Management Framework (BARMF).

The report provided members with a summary of the proposed changes to risk scores considered by the Risk Management Group at its most recent meeting. It was advised that the Covid19 Risk Log had now been incorporated in the BARMF

The DFS went through in detail the changes in scores which related to the strategic risks and advised the Committee that the following risk needed to be escalated to the Board of the Corporation as the net risk were in excess of 15:

- Risk 15 - Failure to manage the impact of the potential merger which could have a negative impact in destabilising the Group.

A member asked about the down grading of the risk relating to Key Personal and the impact of the DFS leaving the Group.

The DFS advised that this risk had now been mitigated as an Interim Director of Finance was now in place and appointment to the permanent position had been agreed and accepted with an anticipated starting date in mid July 2021.

Minute No

There were no further issues raised by members arising from the report and after due discussion and consideration it was resolved that the identified escalations in risk be presented to the Board of the Corporation.

Action: Interim Chief Finance Officer

AUD/09/21 Any Other Business

The Chairperson on behalf of the Committee expressed his sincere appreciation and thanks for the dedication, hard work and contribution of the DFS to the work of the Committee during her period of employment with the Group.

AUD/10/21 Date of Next Meeting

Following discussion, it was agreed that the next meeting would be held at 6.00 pm on Monday 28 June 2021.

The meeting closed at 7.00 pm.

The Data Protection Officer left the meeting at 6.14 pm after the consideration of Agenda Item 5.