



BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

MEETING OF THE AUDIT COMMITTEE HELD ON

MONDAY 12TH MARCH 2018

AT 6.00 P.M. IN ROOM 413 COPPER BUILDING

Present: Sarah Bovill, Christian Heeger, Veronica Jinks and Tom Wolfenden (Chair)

In Attendance: Chris Piper, Jutta Knapp, William Baldwin, Louise Pennington

A17/15 Apologies and Welcomes

The Committee was reminded that the meeting date had been changed from Monday 5th March 2018.

Apologies: Michael Bewlock

Welcomes: Veronica Jinks and Chris Piper

The meeting was quorate.

A17/16 Minutes of the Meeting held on 5th December 2017

The minutes of the last meeting were agreed and signed as a correct record of the meeting. **ACTION: Louise Pennington**

A17/17 Matters Arising

The contents of the schedule on page 8 of the papers were noted by the Committee and Jutta Knapp confirmed that the majority of actions had been completed. Jutta Knapp confirmed that the pre-Committee training session on Capital Funding had been deferred and it was resolved to schedule this for the Summer Term Meeting, after which the Committee will complete its annual review exercise and determine other Committee training options on admissions, risk management and any other training needs. **ACTION: William Baldwin/Tom Wolfenden**

A17/18 Declarations of Interest

None

A17/19 Internal Audit Reports

Jutta Knapp presented the paper issued by the auditors regarding the gender pay gap analysis and the following points were recorded.

- Following a recommendation from the College's HR Committee, the internal Auditors (Mazars) have reviewed and confirmed that the College's calculations were correct and in line with the statutory requirements.
- Part of the guidance has been updated since first issued, so the College's calculations have been revised to reflect this and some of the adjustments made have enabled the College to more accurately reflect the pay aspects of contracts not commonly comparable e.g. some teaching staff contracts and support staff term time only contracts.
- Some of guidance has changed since orig. did workings – so revised this. We can now make adjustments so more realistic of what actually pay.
- The College will be preparing a written procedure shortly in line with Mazars recommendation. The analysis has been uploaded to the Department of Education's portal, ahead of the 31st March deadline.

- The analysis together with explanatory narrative will also be uploaded to the website by 31st March.
- In response to a question from the Committee, it was confirmed that there was currently no benchmarking information across the FE or SFC sector, noting that the requirements were only relevant to those Colleges with more than 250 employees. William Baldwin advised that Gender Pay Gap was an agenda item at the next S7 Principal's Meeting, so there may be an opportunity to compare information within S7 Colleges.
- The analysis has been presented to Staff via one of the regular Staff meetings and there were no issues arising from this. Likewise JUMCoG (Joint Union Management Consultative Group) has also viewed the figures and did not raise any issues.
- The Committee queried whether an annual report would be presented to the Resources Committee and it was agreed that SMT would review this, with a preference towards only bringing a report when the analysis has changed significantly. **ACTION: Jutta Knapp**

A17/20 Update on Internal and External Audit Recommendations

The various recommendations as updated were noted. Jutta Knapp also explained that an internal audit visit had been carried out recently and the report would be ready for inclusion in the next Audit Committee meeting papers and would also take into account any follow up recommendations in respect of existing actions listed.

There were no concerns arising and all actions had been completed or would be actioned by September 2018.

At this point in response to a question from the Committee regarding the recommendation on page 29 re the audit findings report (External Auditors), Jutta Knapp confirmed that this was a minor point relating to the capitalisation of fixed assets (FRS102).

A17/21 General Data Protection Regulation

JHK presented the paper to the Committee and the following points were recorded:

- Advice and guidance has been issued by the SFCA to all SFCs and the College has prepared an action plan based upon the key steps to achieve compliance by the 25th May 2018 deadline.
- The Committee were made aware of the sizeable penalties based on turnover and also discussed example breaches and the need to be compliant with strict reporting timelines.
- The College already has a Data Protection Officer (DPO) (Tara Davies, the CIS Manager) who has been in post since 2001 and a Data Protection Policy is in place, which will need updating, along with the requirement to provide further detailed documentation.
- Staff training has been made a priority which will be compulsory along with regular refresher training particularly to ensure that personal data is handled correctly.
- An audit of the College's personal data will be completed, involving all key staff.
- The DPO and Jutta Knapp have completed training via Eversheds, who explained that it is virtually impossible to be fully compliant with the Data Protection Regulation bearing in mind that as soon as someone changes the data e.g. a new address, even if you are not aware of this, you will be deemed to not be compliant.
- The action plan on pages 19 and 20 was noted.
- In response to a question from the Committee, Jutta Knapp explained that personal data held in respect of staff was more straightforward to manage and explain in legal terms (e.g. salary payments etc), whilst for Students this may appear more difficult as personal data is collected on different occasions e.g. when first application made, enrolment etc
- Other issues relating to personal data held may arise as a result of IT access from home by Staff etc, especially if this is then held on a personal computer. Furthermore Staff often use personal mobile phones or other devices to track their work emails, again may give access to some personal data, although it was assumed that all phones are password protected. Memory sticks may also generate a potential problem, unless encryption is utilised.
- The Committee also questioned whether the College would be fully compliant by 25th May 2018 deadline and SMT advised that the College will aim to make as much progress as possible, but couldn't necessarily confirm at this point, full compliance by this date. However William Baldwin advised that if BHASVIC can prioritise actions 7 and 8 before 25th May, it's likely to place the College in a reasonably good position if challenged.
- A history of past Data Protection breaches was also queried and it was noted that two known breaches in particular were noted which involved the inadvertent sharing of some parent e mail addresses with other

parents. It was appreciated that a tightening of IT systems to meet the new requirements would not prevent this type of breach happening, hence the importance of regular staff training.

- Data Protection requests from Students may also present problems, should there be some information which the College is not at certain times, able to share e.g. police enquiries.
- During the Eversheds training event, the solicitor advised that Colleges should not necessarily rely on “consent” given by individuals regarding their personal data, and have suggested that where personal data is held a statement should be issued to all, explaining the legal reasons for data being held (Data Privacy Notice).
- Other potential Staff personal data issues, could relate to pension information held by the College which often assists Staff who have retired, who have historical queries, but depending upon advice received, this information may have to be deleted.
- Any Data Protection or Freedom of Information (FOI) request would be directed to the DP Officer and the Committee suggested that consideration should be given to establishing a new email address to go to several Staff members in case the DP Office is absent. This would avoid any issues regarding a breach of the 72 hour breach reporting requirement.
- Jutta Knapp reported on a question raised by Peter Freeman (Chair of Governors) querying whether a Data Protection Committee should be established and involving a Governor Lead. The Committee discussed this and although it was not thought necessary to include a Governor, if a Governor had expertise in this area and was willing to participate, then that would be welcomed. The Data Protection Committee would include the DP Officer, Jutta Knapp and William Baldwin and was likely to meet once every half term. It was suggested that this could be discussed at the next Search and Governance Committee too. **ACTION: Jutta Knapp/Louise Pennington**
- It was recommended that next year’s Internal Audit Plan should include a review of the College’s Data Protection compliance and processes to provide assurance to Governors.

A17/22 Risk Register

William Baldwin introduced the paper and highlighted the key changes as recorded in the executive summary. The following comments were recorded:

- Risk 5.4 “Interruption owing to industrial action” – adverse effect on Student experience, has been increased owing to the recent issue regarding annual national negotiations on Teachers’ pay. However although a strike ballot was anticipated, the National Joint Council has resolved the issue regarding pay for this year, namely 1% pay rise across Teachers’ scale apart from the lowest (level 1 – 6), the latter of which would receive 2% pay rise. As the issue may re-emerge in September when the next round of pay negotiations is initiated, it was agreed that the revised risk score should remain.
- At this point Jutta Knapp explained that following last week’s Resources Committee meeting, Risk 6.2 “Failure to deliver new building will lead to difficulties with insufficient appropriate accommodation including fit for purpose teaching space”, would also be increased to reflect the problem arising from the Local Authority deferring any decision regarding major build planning applications, until legal advice has been sought, regarding the Wealden District Council’s blank objection to any major planning application in the wider area, in respect of environmental impact upon the Ashdown Forest (re nitrous oxide emissions). The Committee was advised that the College’s architects have responded to the Council to this objection and LA’s decision, explaining that BHASVIC’s application has no relevance to the Wealden District Council’s objection. At present the College is still hoping that its application will be held at the next scheduled LA Planning Committee on 4th April. Sandra Prail, the Vice-Chair also offered assistance in the College’s response to the LA. It was also noted that the ESFA (Education Skills and Funding Association), CIF (Condition Improvement Funding) £4M bid (outcome due early April) would be dependent upon the College having planning approval, in which case if this is not forthcoming, the College’s project would be delayed for another year.
- Risk 6.6 “Failure to operate efficient/effective and reliable IT systems leads to inefficiencies in productivity” – The Committee discussed the issues arising following SMT’s review of this risk, namely relating to various development delays by Capita who provides the College’s IT system and agreed that the risk should be increased too.

- Further to the above bullet point on IT systems, it was also resolved that an additional risk should be included in section 6 relating to potential MIS system failures, bearing in mind the importance of this aspect regarding ILR key submissions which is essential to receipt of ESFA funding.

The risk register was considered and recommended to Corporation for approval. However it was resolved that owing to time constraints that additional changes recorded above, would be advised to Governors orally and that the Risk Register would be revised after the Corporation meeting by SMT. **ACTION: William Baldwin**

A17/23 Risk Assurance Map and Assurance from Corporation Committees

The updated risk assurance map and confirmation of assurances from the other Corporation Committees (Resources, Q & C Committee) were noted, particularly that Risk 5.2 "Interruption owing to industrial – adverse effect on student experience" has been increased from 3 to 6, for the reasons already explained above in item A17/22. The Committee also considered the other risk areas listed on page 27, noting that further updates, as reported earlier, would have to be made. Regarding Risk 5.1 "Inability to recruit and retain staff of the required experience and expertise at all levels leading to shortfall in capacity and delivery" was referred to in light of the recent failure to appoint a new Head of Mathematics. The College will be re-advertising the post accordingly and subject to the outcome, the risk may be increased. The Committee were also made aware of the problems associated with the limited number of applications in respect of some Support Staff jobs, noting that the College was in the process of re-evaluating Support Staff jobs, with a view to improving the matter.

Jutta Knapp informed the Committee that risk assurance processes was due to be included in the forthcoming internal audit work, with the subsequent report being presented to the Summer Term Audit Committee.

The map was recommended to Corporation for approval, noting also that the additional updates discussed at the meeting would be reported orally to Corporation, with the final version of the Map being updated after the Corporation meeting next week. **ACTION: Jutta Knapp**

A17/24 Performance Indicators for Financial Statement Auditors

The Committee considered the performance indicators and resolved to recommend that these be approved by Corporation. **ACTION: Jutta Knapp**

A17/25 Reappointment and Remuneration of Internal and External Auditors

It was resolved to defer this item to the next meeting as the remuneration details had not yet been advised by the auditors. **ACTION: Jutta Knapp/Louise Pennington**

A17/26 Fraud Report

None.

A17/27 Any Other Business

The Committee referred to the earlier discussion on Committee training and resolved that GDPR training should be considered at the end of the Summer Term meeting within the annual Committee assessment item. **ACTION: Tom Wolfenden/Louise Pennington**

A17/28 Date of Next Meeting

Monday 25th June 2018 – discussed whether could change to Tuesday or Thursday 19th or 21st June

The Committee recorded that the next meeting was scheduled for Monday 25th June 2018 but owing to the fact that Michael Bewlock and Sarah Bovill would be unable to attend, it was resolved that an alternative date should be investigated. **ACTION: Louise Pennington**

Louise Pennington

Clerk to the Corporation

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Chair of Audit Committee

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Dated