

## **CARDINAL NEWMAN COLLEGE**

### **BOARD OF GOVERNORS – AUDIT COMMITTEE**

A meeting of the above Committee was held at **4.00 p.m.** on **Wednesday 7 March 2018** in the Conference Room at the College.

#### **Members present:**

Bob Eastwood (F), acting Chair  
Father Luiz Ruscillo  
Peter Towers

#### **Officers in attendance:**

Bob Deed, Clerk  
Annette Pettman, Commercial & Procurement Manager  
Claire Walbank, College Accountant

#### **Others in attendance:**

Gareth Hitchmough, Mazars

### **MINUTES**

#### **1 Opening prayer**

The meeting commenced with a prayer.

#### **2 Welcome, introductions and apologies**

The Clerk noted apologies from Peter Halpin, John Calvert, Katie O'Reilly and Denise Kennedy.

#### **3 Declarations of interest**

There were no declarations of interest.

#### **4 Minutes of the meeting on Wednesday 18 October 2017**

The minutes of the meeting held on Wednesday 18 October 2017 were accepted as a correct record.

#### **5 Matters arising from the minutes**

There were no matters arising not covered on the agenda.

#### **6 Presentation on the College and value-for-money**

Annette Pettman, Commercial and Procurement Manager, updated the Committee on the College's work on value-for-money since her last presentation to the Committee in spring 2017.

The Commercial and Procurement Manager confirmed that the College continued to adopt a continuous improvement approach to value-for-money. This had included best practice reviews to identify improvements, transactional analysis to identify waste, and training to raise awareness and skills. This had resulted in cultural change and more proactive approach from budget holders in general. She explained that value-for-money measures showed savings of £179k for the year-to-date compared with £129k last year. These arose from a range of sources from £24k on a rates adjustment to smaller savings on IT procurement and hygiene contracts. The Commercial and Procurement Manager explained the basis of the “cost avoidance” measure.

Committee members asked about how this was reported to budget-holders. The Commercial and Procurement Manager explained savings are analysed on a tracker which is shared with budget-holders who were keen to show savings for the College.

The Acting Chair thanked the Commercial and Procurement Manager for the presentation.

## **7 Progress report on audit recommendations**

The Clerk noted that the routine report on audit recommendations included no outstanding recommendations. However, the item included an action plan and progress report for the Governance Assurance Review in spring 2017. The Clerk explained that the action plan and progress report was based on the report considered by the Governance & Search Committee in January 2018. The Audit Committee had asked to receive these reports as part of its remit to track the satisfactory implementation of recommendations. The external audit partner, Gareth Hitchmough, noted that this was a key element of the Board Assurance framework.

The Clerk said that a large proportion of the agreed or partially agreed recommendations coming out of the Governance Assurance Review would be implemented by the summer. The Committee expressed no concerns with the progress of implementation.

There was a query about the implementation of the committee self-assessments and the Clerk confirmed that there was a typo: these self-assessments were implemented in 2017 rather than 2018.

The Committee asked about recommendations arising from the Assurance Review of GDPR preparations. The Clerk confirmed that these recommendations would be incorporated once the Committee had received the finalised report at the next meeting in May 2018.

## **8 Update on the assurance plan**

The Clerk noted that an auditor from RSM, the College’s former internal auditors, had been on-site during the week reviewing GDPR preparedness. Their report would detail actions needed to progress readiness in anticipation of the May 2018 start date for GDPR. He noted that these reflected the Information Commissioner’s guidance on 12 steps to implementation which was used by the College in action planning for GDPR.

The Clerk noted that the last Committee meeting had agreed that the March 2018 meeting would consider the possibility of further Assurance Review in 2017/18.

**The Committee did not consider any such additional external reviews were necessary but agreed that this could be on the agenda at the March 2018 meeting.**

Clerk

## **9 Risk register – termly update**

The Clerk noted that there were no changes in the scoring in the top risks on the circulated risk register since the last Audit Committee meeting. However, he informed the Committee that there had been a discussion at the recent Finance & Premises Committee about the scoring of risks around unfunded pay rises and High Needs funding. He noted that the Vice Principal Finance & Resources had reviewed the scoring of the latter and that the Senior Leadership Team would review both risks. The Governing Body was likely to receive amended scores for these risks at its next meeting. The Committee asked about the nature of the change in scoring for High Needs funding. The Clerk indicated that the scoring had been moderated down in order to reflect the likely impact of funding changes. He noted that further information had been received in the last two weeks from Lancashire County Council on the timing and scale of funding cuts, which were less severe and less imminent.

The Committee noted and welcomed the scrutiny of risks scores at other committees.

The Committee asked which committee led on data protection, including GDPR preparedness. The Clerk said that he considered Quality, Curriculum & Staffing to be the most appropriate as the majority of data related to staff, students and applicants. The Committee noted that the lead committee currently shown on the risk register was the Finance & Premises Committee. The Clerk suggested that this should be considered as part of the annual review of committee terms of reference.

**The Committee agreed that the Governing Body should ensure that responsibility for data protection should be clarified as part of the annual review of committee terms of reference.**

Clerk

The Committee discussed the remit of the Committee in relation to issues such as the appointment of senior leaders. The Clerk noted that where senior leaders were designated Senior Postholders, this was an issue for the Governing Body. The Committee agreed that its role in relation to appointments, including those of senior leaders, was one of assuring itself and the Governing Body that processes were adequate and effective.

## **10 Determination of any items to be treated as Confidential**

No items were considered to require treatment as confidential.

## **11 Date and time of the next meeting**

The next ordinary meeting of the Committee is scheduled to be held at 4.00 p.m. on Wednesday 23 May 2018.