

**Greater Brighton Metropolitan College
Meeting of the Audit and Risk Committee**

**Minutes of a meeting held virtually via Google Meet
Wednesday 21 April 2021 at 3pm**

- Present:** Anne Ackord, Christopher Bennett, Kathleen Downes (Chair)
- In attendance:** Andrew Green (Interim CEO) Jon Rollings (COO), Sarah Box (Governance Officer), Melissa Drayson (Governance Consultant), Mark Crowter – observing, Clarence Mpofu and Kevin Moloney (TIAA)
- Apologies:** Steve Bassam

1. WELCOME, INTRODUCTIONS AND APOLOGIES

It was noted that the meeting was not quorate as there were not the required number of external governors present. Any items for decision would, therefore, be approved subsequently by written resolution or carried forward to the July meeting.

The Chair welcomed all attendees to the meeting, noting apologies. A special welcome was extended to Mark Crowter who had been appointed as Chair of the Audit and Risk Committee following an interview the previous day.

The Interim CEO and COO left the meeting

2. CONFIDENTIAL AUDITOR SESSION

TIAA reported that the audit process to date had gone smoothly. The required support had been provided and responses to queries swift and efficient, with no delays. An in depth conversation had taken place in relation to the contribution analysis in some curriculum areas.

The Interim CEO and COO re-joined the meeting

3. MINUTES OF THE MEETING HELD ON 5 FEBRUARY 2021

As the meeting was not quorate, the minutes of the meeting held on 5 February 2021 would be carried forward to July and approved at the next meeting.

***Action:
Approve 5 February 2021 minutes at next Committee meeting in July (Governance Officer)***

4. ACTIONS ARISING FROM THE MINUTES

The action relating to Risk Management would be considered as part of Item 8. In addition, the actions relating to the current reviews of insurance and business continuity would be added to July's agenda.

Action:

**Review of insurance and business continuity to be added to July ARC agenda.
(Governance Officer)**

5. PROGRESS ON FINANCIAL STATEMENTS SIGN-OFF

Now that the SPA process was complete and the Board had approved CCG as its merger partner it was anticipated that the Financial Statements would be able to be completed, with a target date of 31 May. The college would, in the meantime, continue to seek a month-by-month extension to the sign off date.

6. INTERNAL AUDIT REPORTS

- a) Summary Internal Controls Assurance (SICA) Report
- b) Sub-Contracting and Partnerships
- c) Apprenticeship Delivery and Performance
- d) Key Financial Controls

The Summary Internal Controls Assurance (SICA) report was presented by the Internal Auditors. All three audits had received reasonable assurance and the actions required were noted. All actions would be tracked and presented to the next meeting.

It was noted that the Apprenticeships Delivery Audit had reviewed the comprehensive Quality Improvement Plan that had been put in place to deliver improvements throughout the year and some of the recommendations made had been specific to the plan itself.

There was a discussion on recommendation 4 and whether the red RAG rated actions within the Quality Improvement Plan (QIP) had effective mitigating strategies. It was advised that these particular actions generally referred to data such as achievement rates, and it was not possible to complete these until the final year-end data was available, hence the reason they remained red. It was considered that it was appropriate to be risk averse with the rating and not overly optimistic so that attention remained focused. It was agreed that adding milestones to the actions could be a helpful addition and would avoid the need for them to be rated as red. Members were assured that all elements of the plan were reviewed thoroughly on a monthly basis.

In relation to the Financial Controls Audit, it was asked whether the risks mentioned in relation to the Finance risk register were substantial enough to be included individually on the key risk register. It was agreed to discuss in more depth under Item 8 but was possible that a more expanded version of the key risk schedule might be required.

All members commented on the simplicity and clarity of the reports and the COO confirmed his satisfaction with the Internal Auditors approach with the first round of audits.

7. OUTSTANDING AUDIT RECOMMENDATIONS: PROGRESS REPORT

The report had been reduced in size, and the COO confirmed that rigorous discussions had been held internally to determine if some of the recommendations that had been outstanding for an extended period were still a priority.

The Committee discussed whether it would be possible to add the current outstanding audit recommendations and any from the External Audit to the TIAA rolling list to avoid duplication. TIAA agreed to check the feasibility of this proposal and would confirm back in due course.

Action:

TIAA to confirm if all audit actions, including those from the external audit, can be recorded within their system. (TIAA)

8. RISK MANAGEMENT UPDATE

At the November meeting, the Committee had considered implementing a deep dive approach to the review of individual risks as part of the committee's oversight of the Risk Management process. The COO advised that the current key risk schedule encompasses the financial risks as one collective item, so a more in-depth analysis would allow members to fully understand the individual risks, mitigations in place and how the risk was being monitored.

The deep dive approach was considered to be an effective way for the Committee to monitor the College's risks in more detail and it was agreed to review one red rated, one amber rated and one green rated risk from the key risk schedule at each meeting.

There was discussion of trend analysis and the KPIs associated with each risk and the new Chair of the Audit & Risk Committee confirmed he would discuss further with the COO. It was agreed that it may be helpful for senior staff who were risk owners to attend meetings in future to give the Committee reassurance on the mitigation strategies in place.

It was critical that ARC maintained an overview of the college risks and assurance of control, whilst at the same time ensuring that it did not overlap with other committee performance areas or duplicating work within the committee structure. The deep dive template could be used to illustrate where information had been shared with other committees and provide a summary of work undertaken.

It was agreed that the risks to be reviewed at the next meeting in July would be Covid, Safeguarding and low staff morale.

9. REPORT OF ANY INCIDENCES OF, OR ATTEMPTED, BRIBERY, FRAUD OR WHISTLEBLOWING

It was confirmed that there were no new incidences to report, although an apprenticeship issue in relation to a specific subcontractor was still being dealt with. This had been highlighted ahead of the recent Internal Audit report and was being discussed with the ESFA as part of the regular case conference meetings.

10. POST 16 AUDIT CODE OF PRACTICE

The summary of changes had been listed in the executive summary and the Governance Consultant confirmed discussions were taking place via the governance and finance professional networks to understand how the changes might affect colleges. These included the requirement for External Auditors to attend Board meetings and whether the external auditors are able to take assurance from ESFA learner number audits in the future.

The requirement to retender External Auditors at least every 5 years was discussed, particularly in light of the merger. It would be important to ascertain that the current position was compliant before a decision on retendering was discussed.

The Committee were also sited on requirement 2i, which advised of the inclusion of a link to the ESFA's supplementary bulletin relating to Covid-19. Colleges must apply the provisions of the bulletin in 2021-22 as well as the current year, including completing additional questions on the Regularity Self-Assessment Questionnaire (RSAQ)

11. REVIEW OF TOR

The ToR had been updated to reflect the Committee’s new name and changes to the structure of the governance team. These would be approved offline and it was confirmed that further changes would likely be required in light of the changes to the ACOP.

Action:

Approve updates to ToR, incorporating an updates required as required by the ACOP. (Governance Officer)

12. OTHER BUSINESS

Thanks were given to Kathy Downes for stepping in to chair the meeting.

13. DATE OF NEXT MEETING

The next meeting was scheduled for Monday 12 July 2021 at 3.30pm

Signature of Chair..... Date.....