

**Greater Brighton Metropolitan College
Audit Committee**

**Minutes of a meeting held at the Pelham, Central Brighton Campus on
Wednesday 25 July 2018 commencing at 17.30**

Present: Gary Anderson (Chair), Jim Hynes (Staff Governor), Rob Lee,
Kathleen Downes

In attendance: Stephen Pringle (Wylie & Bisset), Nick Juba (CEO), Jon Rollings
(COO), Dominic Blythe (RSM), Katy Balmer (Minute taker)

Apologies: Natalie Brett

Welcome, Introductions and Apologies

97. Gary Anderson introduced himself as the new chair for the committee and returning Governor.

DECLARATION OF INTERESTS

98. No declarations to record.

MINUTES OF THE MEETING OF 5 MARCH 2018

99. The minutes of the meeting held on 5 March 2018 were taken as a correct record and signed by the Chair.

MATTERS ARISING

101. The Committee received and noted a schedule outlining the progress of actions from the minutes of the last meeting. All actions were complete or on schedule.

NOTIFICATION OF INCIDENTS OF ATTEMPTED OR ACTUAL FRAUD IDENTIFIED

102. The COO confirmed that the college had no incidents to report.

It was agreed that during 2018/19 a review would be undertaken to consider fraud definition and risk areas to ensure no incidents are being overlooked.

INTERNAL AUDIT

103. **Internal Auditors recent assignments 2018**
Item and supported documents presented by Stephen Pringle, Wylie and Bisset

The following Audits were summarised and notes highlighted:

IT: in response to questions the COO noted that the lengthy action date relating to USB device policy implementation was due to the capacity of IT team, during the Single sign-on project.

GDPR: it was suggested that the clear desk policy may be a medium priority rather than low, based on the potential risks associated with access to personal or sensitive data not securely locked away. The CEO confirmed that a change of culture was needed and communicate to staff would take place in the new academic year. The COO noted that the new data breach action plan had been invoked for two incidents – issues and actions taken had been recorded.

Board oversight: one recommendation noted and already actioned

Post-Merger Integration: no recommendations made. Lessons learnt/review to take place as part of Project Board activity during 2018/19.

Curriculum Planning: management confirmed agreement with findings and recommended actions.

Follow up review: it was noted that all relevant previous recommendations had been reviewed and testing had taken place to confirm actions taken.

Sub-contracting: Certificate now updated and forwarded to funders in line with requirements.

Learner Records: this audit would support the preparations for the ESFA Funding Audit that would take place in September.

Financial Controls: the work undertaken was a high level review in advance of more detailed audits in the second and third years of the audit plan. The findings would assist in targeting future work.

The committee provided feedback to Wylie and Bisset on the layout and contents of their Audit reports and it was suggested that more detailed narrative covering the work and testing undertaken could be beneficial for those on the committee who do not work for the college. The committee asked that Wylie and Bisset consider this whilst also noting that the concise nature of the reports was welcomed.

In response to the requirement to provide contextual information to the co-opted members of the committee, who do not attend Board Meetings, the CEO confirmed that they will receive the monthly CEO report, along with the minutes from the Board of Governor meetings. The documents should be able to provide background information to sit alongside, and provide context for, the Audit reports.

The Chair also noted that the benchmarking information is interesting but further explanation would be helpful to explain how it relates to the findings relating to the college.

104. Summary of Audit work

Taken as read by the committee.

Resolved:

- I. Chair, COO and W&B to meet to confirm 18/19 Audit programme and draft 19/20 programme.

LOG OF OUTSTANDING RECOMMENDATIONS FROM INTERNAL AND EXTERNAL AUDIT REPORTS

- 105.** The COO noted that all current recommendation had been set out in the Internal Audit reports. On this basis no further report had been circulated. For future meetings, an action tracker would be provided.

EXTERNAL AUDIT PLANNING MEMORANDUM

- 106.** *Item and supported document delivered by Dominic Blythe (RSM)*

It was noted that the ESFA will be reviewing Regularity and Finance requirements next year.

Section 3 set out the key risks, in particular the changes to the Apprenticeship sector and the effect on income.

The COO notified members of the committee that GB MET has been selected for a formal funding review, as part of a random sample, to take place in September 2018. RSM will be undertaking the work on behalf of the ESFA. RSM confirmed that there are no conflicts of interests.

The COO noted that the going concern test would be a key area of focus, based on the college's current liquidity position, and that work was in progress to address this.

Notes on the Appendices:

- A change in the definition of Fraud and reporting requirements
- New Charity code of Governance

RISK MANAGEMENT ACTION PLAN UPDATE 2017/18

- 107.** *Item delivered by COO*

The latest Key Risk Schedule was reviewed. It was noted that this was updated for each Board meeting with a narrative included in the monthly CEO Report.

POST 16 AUDIT CODE OF PRACTICE MARCH 2018

- 108.** *Item and code of practice presented by Dominic Blythe (RSM)*

ACoP taken as read.

The committee acknowledged the specific recommendation that staff Governors should not serve on the Audit Committee. *Action noted in item below.*

COMMITTEE TERMS OF REFERENCE

- 109.** *Item and supporting document presented by COO*

As per the change in the ACoP (stated in above item). The committee agreed to the recommendation and to the amendment of the Terms of Reference that staff governors will no longer be eligible to serve as an Audit Committee member.

Recommendation to go to Board on 30 July.

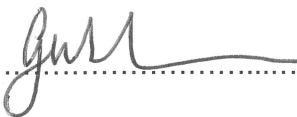
AOB

110. The COO thanked Staff Governor for contribution this year.

DATE OF NEXT MEETING

111. It was confirmed that the next meeting of the Committee was scheduled to take place on 3 December 2018 at 17.30 at the Brighton Central Campus.

The meeting closed at 7.05 pm.

Signature of Chair.......... Date.....3.12.18.....