

**Greater Brighton Metropolitan College  
Audit Committee**

**Minutes of a meeting held at the West Durrington Campus on  
Monday 3 December 2018 commencing at 16.30**

- Present:** Gary Anderson (Chair), Natalie Brett, Rob Lee, Kathleen Downes
- In attendance:** Dominic Blythe (RSM), Graham Gillespie (Wylie & Bisset), Nick Juba (CEO), Jon Rollings (COO), Lynn Payne (Interim Clerk)
- Apologies:** Martyn Wilkes

**WELCOME, INTRODUCTIONS AND APOLOGIES**

1. The Chair welcomed everyone to the meeting and apologies were noted.

**SESSION WITHOUT MANAGEMENT PRESENT**

2. *There is a separate confidential minute for this item*

**MINUTES OF THE MEETING OF 25 JULY 2018**

3. The minutes of the meeting held on 25 July 2018, having been previously circulated to governors, were agreed as a true record and signed by the Chair.

**MATTERS ARISING**

4. There were no matters arising.

**EXTERNAL AUDIT**

5. **RSM Draft Audit Findings Report, Draft Financial Statements 2017-18 and Regularity Audit**

*Minuted as confidential under Part 2 Confidential item – Not for public record due to commercial sensitivity.*

**INTERNAL AUDIT**

6. **Internal Audit Annual report for 2017-18**

Members had received the Internal Audit Annual report for 2017-18 summarising the work and findings of the internal audit service covered in the period.

**The Auditor went through his report which was noted.**

7. **Internal Audit Plan 2018-19**

The COO introduced the Internal Audit Plan 2018-19 and confirmed it had been developed from the three year strategy. He confirmed that the specific assignments included for the year, were based on an assessment of risk areas and the requirement for an overall coverage of controls.

The Internal Auditor presented his report to the committee.

**It was agreed to recommend the Internal Audit Plan 2018-19 to the Board for approval.** **Action: Refer to Board.**

**It was agreed that the Audit Plan 2019-20 should be considered at the July meeting of this committee in advance of the start of the next year**  
**Action: COO**

**8. Recent Assignment Report**

The Internal Auditor advised the committee that unfortunately the report on the Commercial Income Performance audit, that had taken place this term, was not yet available. There had been some follow up review required after the initial fieldwork that was still in progress. It was noted the report would be on the agenda at the next meeting of the committee, in March 2019.

The COO indicated that the commercial income area had been selected for detailed review based on the underperformance against income target in 2017/18. Ms Downes asked if there would be a financial element to the review and the internal auditor confirmed there would be.

The Chair asked the Internal Auditor to ensure that for the future, reports requested at the set times in the annual schedule, were received at the right meetings.

**2017-18 ANNUAL REPORT OF THE AUDIT COMMITTEE**

9. The COO went through the report on the work of the Audit Committee, for the year 2017-18. He commented that historically the report had been produced by the Clerk at the College, to provide independence from the Executive. The COO informed Governors that the report was primarily factual and that it was required to be filed alongside the financial statements.

It was agreed to develop and reshape the report for next year to include an assessment on the performance and effectiveness of the committee.

**It was agreed to recommend that the Annual report of the Audit Committee to the Board.** **Action: Refer to Board**

**RISK MANAGEMENT UPDATE**

10. Governors were asked to note the latest Risk Management report and key risk schedule. The COO went through the key risks.

Ms Downes asked about how the impact of the red rated risks was considered. The COO advised that they were covered in the monthly CEO report to the Board. The Chair confirmed that there was adequate follow-up to everything flagged in the risk register but he accepted that as co-opted members, there was information that they would not see, in this regard, that governors of the Board were receiving. It was noted that the CEO report was being circulated to co-opted members. The Chair confirmed that the CEO report, produced for every Board meeting, was an assurance report and that he would speak to the Chair of the Board to see how to better connect co-opted members. It was agreed it may be useful to include co-opted members in some of the information sessions held before Board meetings.

The Chair felt that the question of what happened if a risk occurred was a good challenge.

The External Auditor present reminded governors that appropriate challenge from

them should be included in the minutes, especially with the new Insolvency regime coming into force, to show where they were robustly considering and challenging information.

## **FINANCIAL HEALTH AND DASHBOARD**

11. The COO reminded governors that the College financial health was assessed by the ESFA twice a year, on the basis of the financial plan submitted in July and finance records submitted in December. He advised governors that based on the financial plan submitted, the College's financial health was graded 'satisfactory'.

*Further detail minuted as confidential under Part 2 Confidential item – Not for public record due to commercial sensitivity.*

## **REPORT OF ANY INCIDENCES OF, OR ATTEMPTED, BRIBARY, FRAUD OR WHISTLEBLOWING**

12. The COO confirmed that there was nothing to report in these areas.

## **INSOLVANCY REGIME**

13. The COO reported on the aspects of the new Insolvency Regime that was expected to apply to FE Colleges from 31 January 2019.  
It was noted that this would be a consent item on the next Board agenda.

## **2017 -18 COMMITTEE SELF-ASSESSMENT**

14. It was agreed that a committee self-assessment would be considered in the next cycle of business. Governors suggested the committee, self-assessment and performance, could be a topic at a Board Away Day. The Chair would discuss ways of delivering a self-assessment, with the Chair of the Board,.

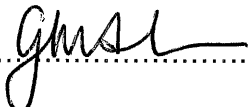
## **AOB**

15. No other business was raised.

## **DATE OF NEXT MEETING**

16. It was confirmed that the next meeting of the Committee was scheduled to take place on 4 March 2019 at 16.30 at the Brighton Central Campus.

The meeting ended at 18:25 pm.

Signature of Chair.......... Date.....4/3/19.....