**SIR GEORGE MONOUX COLLEGE**

***Minutes***

**Online Meeting of the Audit Committee**

**Thursday 28 June (8.30)**

|  |  |
| --- | --- |
|  | **Present:** Riddhi Bhalla (chair) (RB), Sara Whittaker (SW)  **In Attendance:** Dave Vasse (Principal)(DV), Andy Boucher (Co-opted) (AB), Paul Goddard (Scrutton Bland) (PG), John Kirk (Interim Clerk to the Corporation)  **Apologies For Absence:** Kwame Atta, Tim Stockings |
|  | **Declarations of Interest:** None |
|  | **Minutes of the Previous Meeting: 31 March 2022**  The minutes were approved as a true and accurate record |
|  | **Matters Arising from the Minutes**  DV Confirmed the procurement actions had already been completed, and that appropriate training is ongoing for staff.  DV Cyber Phishing testing had been pushed back until all staff were trained on email and instant messaging, which is due for completion by 11 July with mock phishing exercises commencing immediately thereafter.  It was noted that whilst this was not a formal recommendation from Internal Audit, it was a value-added point in the July 2021 report.  RB noted that 12 months was an unacceptable a delay in the current climate of heightened cyber-attack activity.   * 1. **Action Log**   It was noted that all matters on the Action Log were now completed. |
|  | **ESFA Best Practice Guide for Audit Committees**  The latest Best Practice guide was noted as containing a relatively small number of changes this year.  PG noted the ACoP Anti-Fraud paper is mostly common-sense approach to combatting fraud.  The measuring of anti-fraud effectiveness is not straightforward and there is currently no best practice. PG is due to attend a meeting of audit companies where this topic will be discussed.  DV Requested that Anti-Fraud to be added to the cycle of business. This has been since confirmed as part of the internal audit plan for the next academic year. |
|  | **Risk Management Report**  It was noted that there had been a reduction to the scoring of Financial Health risk following approval by the Corporation of a deficit budget for next year.  RB asked that that minutes of the Risk Management Committee come to this committee along with other reports from committees. |
|  | **Reports from Other Committees on the Monitoring of Risk**  **7.1** RB Queried the QP minutes Mat Franks presentation “students not equipped with appropriate study skills”.  DV In the context of the meeting the nuance was there is still room for improvement across the sector. APs had been asked not to ‘sugar-coat’ their major challenges for the year ahead, hence the explicit nature of this remark. This is a sector-wide issue resulting from the learner experience in years 10 and 11, which has not equipped them for examination and revision in the same way as previous cohorts.  RB Requested this minute should be re-written with reference to lockdown.  **7.2** RB noted there are still several vacancies which is a risk to be monitored.  It was reported that the Chair and Senior Vice Chair had met to discuss a recruitment strategy to address this risk.  **7.4 Item 6.** SW asked about the ongoing risk in the maintenance contract.    DV Confirmed that costs for remedial work such as flat roof and boiler repair have been higher. |
|  | **Schedule of Outstanding Audit Recommendations**  It was noted that Beno had left for a position elsewhere in HE, and a new HR manager is now in place.  RB Asked why the Procedural Guide had not been issued to staff.  DV Confirmed that numerous HR policies were due for review in November 2022, but all actions from the recommendations had now been implemented. Record keeping for shortlisting has been tightened by staff training, and more rigorous control over the implementation of the policy has been addressed. All of these procedures are available to staff via the dashboard. |
|  | **Internal Audit Reports 2021-22**  **9.1** PG Confirmed the Funding Report gives Reasonable Assurance but noted the High Risk Recommendation regarding Learning Agreements not properly signed, and a lack of control to monitor completion by both student and college.  There was much discussion about the consequences of the approach taken to minimise face-to-face contact during enrolment. The system had been poorly designed, and the position compounded by unacceptable laxity on the part of the MIS in ensuring all agreements were signed.  DV confirmed that as of 21 June, all but 11 students had now signed their Learner Agreements, and a system is in place for next year.  SW Asked if the new system had been adequately tested, as it needs to be fully functioning throughout the six weeks before the 42-day cut-off period.  DV Confirmed it had not been tested by the college, but it will be tracked to ensure correct functionality.  It was confirmed that ownership of this matter was with the MIS Manager, that a record of assurance will be kept, and reported to this committee.  PG Also noted the Medium Assurance of risk from students not all signing the declaration of eligibility at enrolment, which could lead to a funding issue.  RB Requested this funding report go to Resources Committee.  **9.2** PG noted the Significant Assurance for the governance framework, and implementation of recruitment and induction will be monitored going forward.  **9.4** PG presented the 2022-23 Audit Plan.  There was considerable discussion about the areas most deserving of either audit or health-check.  RB noted that Safeguarding and GDPR are reasonable, so it is more appropriate to scrutinise learner-focused areas.  Consideration was given to GDPR, Safeguarding and Prevent, Examinations, Maths and English, and T Levels.  PG noted that Examinations were a concern, as finding invigilators and exam logistics are problem areas across the sector.  DV noted a considerable increase in access requirements and special arrangements for learners for examinations, so this would be most welcome.  Maths and English are a condition of funding, so efficiency of registration and attendance is important in order to for accurate completion of the ILR, which is a potential risk as there had been mistakes in the past.  T-Level preparation is less of a risk as national roll out has been delayed, and existing vocational courses have not been cut as originally proposed.  RB Asked about consideration of Teaching Practices and Study skills?  DV Confirmed that these would be scrutinised routinely by Quality & Performance Committee, but a third-party view can be helpful to check practice. These areas could be tested as part of an audit of Maths and English.  SW suggested Examination seemed a greater risk, though Safeguarding assurance could be better.  It was agreed that rigour and checking of ILR is still a matter of concern, as this is handled by the same team who oversee the signing of Learning Agreements and Declarations of Eligibility  It was agreed to amend the original plan, and to GDPR with Maths and English, and remove Income and Debtors. |
|  | **Whistleblowing Policy**   * 1. The whistleblowing policy from Scrutton Bland was welcomed as a significant improvement. This policy is now with HR to review and personalise to the College.   It was agreed to recommend the new policy to the Corporation for approval. |
|  | **Cyber Security Briefing Paper**  DV Confirmed that the college is now following best practice due to increased risk of cyber attack.  SW noted the importance that point 12 is still ongoing and asked about completing?  DV This should be in place at end of final year. |
|  | **Fraud, Financial Irregularity or Public Interest Disclosure**  Nothing to report. |
|  | **Proposed Dates and Times of Meetings in the 2022-23 Year**  Tuesday 22 November 6.30pm  Tuesday 28 March 6.30pm  Tuesday 20 June 6.30pm |
|  | **Any Other Competent Business**  ONS Review of FE Sector Classification.  DV Advised the committee of the ONS recommendation that colleges should be re-designated to the public sector for national accounting purposes. The DfE had originally requested principals to sign a letter granting indefinite and irrevocable access to colleges’ banking details. This has since been reduce to access to 12 months  DV met with the bank manager and received assurance that the only enquiries Lloyds had received from government about college finance were to check that levels of debt already declared were accurate.  RB Asked if there was any the downside to giving this consent.  DV Confirmed there was nothing immediate and direct, but ultimately the DfE may be able misuse this information to intrude upon future decisions on capital grants, financial viability etc. However, as the College has no bank loans or other debt, there is almost no exposure.  AB agreed the irrevocable term was totally inappropriate, but otherwise the present data request is not unreasonable.  RB Is there a genuine option not to comply?  It was confirmed that was a request and not a requirement from the DfE, to enable them to build a case for maintaining the status quo.  PG Confirmed this matter had been discussed in other audit committees, but with no great resistance. It is considered a fact-finding exercise.  DV will present a paper to the Corporation with the positive and negative consequences of a change of classification. |