**CORPORATION OF SIR GEORGE MONOUX COLLEGE**

***Minutes***

**Online Meeting of the Audit Committee**

**Thursday 31 March (18.00)**

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|  | **Present:** Riddhi Bhalla (chair)(RB), Kwame Atta(KA), Sara Whittaker(SW) **In Attendance:** Dave Vasse (Principal)(DV), Paul Goddard (Scrutton Bland)(PG), John Kirk (Interim Clerk to the Corporation) **Apologies For Absence:** Tim Stockings |
|  | **Declarations of Interest:** None |
|  | **Minutes of the Previous Meeting: 23 November 2021**Item 4 Minute 11 should read External Audit Re-Tendering **proposal.** (see Item 9)The minutes were then approved as a true and accurate record |
|  | **Matters Arising from the Minutes: 23 November 2021**None that will not be covered elsewhere on the agenda. |
|  | **Risk Management Report: Spring Term 2021-22**SW Asked if there is a risk of inadequate of Financial Management, and if not, should the risk be adjusted down likelihood score be updated to 3?DV agreed that the risk is very low as there are adequate safeguards in place to control the financial situation, and that governors have now approved a deficit budget, and it would be amended at the next risk management groupKA Asked about the number of items still outstanding from March, particularly the roof repairs and work on the boiler.DV mentioned the time lag was in the writing of the documents, but all the actions are all on actually track.RB Asked about the apparent delay in reducing the financial management risk to the middle 2023, and the path to reducing the risk?DV this risk is dependent upon improvements in student recruitment becoming stable, which is also impacted by the lagged funding on cash.Complete financial control will be reassessed in October/November this year will give a good indication of future financial health even though the actual funding will not be in place until the following year.In response to RB, DV noted that the College maintenance is all budgeted for though not all contracts are yet in place.‘T’ Level risk is also within the development plan and progress against the plan is on track.Covid risk is now almost a non-event following the new guidelines, and the College is living with the impacts.PG observed that both inflation risk with utility cost is a discussion point across the sector.Cyber security risk is also a major concern, with colleges now planning how to respond in the event of an attack, as the likelihood increases.DV the cost of living increase have all been taken into consideration with higher than predicted budget adjustment. Fuel cost increases will be unwelcome, but not a significant risk to college finances, and will also be mitigated by greater efficiency from the new boilers. Cyber security risk is consistently managed, and multi factor authentication has now been introduced.A report on the risks of inflation and cyber security is to be requested from the Resources Committee. |
|  | **Reports from Other Committees on the Monitoring of Risk**In future all other committee minutes to be provided to Audit For information and review. |
|  | **Schedule of Outstanding Audit Recommendations**RB Asked about the reference to Procurement Issues still as High and Open, with a completion date of July 2022. What is happening in the meantime? DV confirmed that as we have no maintenance contractor in place, the budget is allocated and in line with financial regulations, three quotes are obtained for all stand-alone procurements. This matter deferred to the next meeting under Matters Arising of July 2022 target date on matters arising.PG also mentioned the Cyber Security phishing test, rated as low, has been put back to June 2022. This matter has now been rated as high risk across the sector. Many colleges are working very hard on this, to ensure staff are behaving as expected and not random clicking. This item to be on the next meeting Agenda to review why it has been pushed back? |
|  | **Internal Audit Reports 2021-22**PG noted the high risk rating on the planned preventative maintenance.There has been improvement in communication though there is still a catch-up period on maintenance as the estates team is relatively new in post.DV The delay has been caused by the time taken to complete the tender process, which is the reason for the high risk rating.SW asked if the Planned Maintenance programme looks at ways to make the estate more energy efficient.DV Confirmed that the replacement boilers are considerably more fuel efficient.SW Referred to the possible statutory requirement for carbon emissions reporting under SECR, and offered her professional expertise if required.DV Thanked SW for her offer of assistance, and confirmed SECR provision was already under consideration, and there is planned collaboration to set a common strategy with the other colleges in the borough from late April. SW Noted the position Work Placements is excellent, and the appointment of Work Placements Coordinator has made a big difference.PG Noted that other audits have been undertaken, with reports now sent to management for approval for the June meeting. There is one outstanding audit, on Governance and Risk, which has not yet been scoped.It was noted that the Governor Induction and Portal be on the agenda for the Governance and Nominations Committee on 26 April. |
|  | **Appointment of External Auditors**SW Reported that the decision taken by those who attended the meeting to receive presentations from the prospective candidates 8 March was to reappoint MacIntyre Hudson (MH). Both candidates were clearly capable of delivering a satisfactory audit, but MH have proved themselves supportive of the College, and have excellent connections resources relevant to the sale of land.DV also noted that MH had a proven ability to be available to managers and governors whenever help was required. |
|  | **Schedule of College Policies (including review dates and person or persons responsible for review and approval)**The Committee wanted to ensure that all policies are scrutinized by the respective committee and approved by the Corporation, and maintained by HR.The Clerk was requested to ensure each policy was added to the appropriate committee agenda.SW asked where these policies are stored.DV noted that College policies are stored on the staff dashboard but Corporation Policies are only stored on the previous clerk’s archive.It was agreed that the register of policies be maintained by HR, and that all policies should be available to all college staff and governors.The clerk to liaise with the Network Manager to explore a portal for governors to have secure access to papers.PG noted that whistleblowing policies have been under considerable scrutiny of late and offered to share a recent policy that they had helped draft. This was welcomed and both policies can be looked at in parallel.The clerk to bring the policies up to date in the interim for sharing on the staff dashboard. |
|  | **Schedule of Corporation Policies (including review dates and person or persons responsible for review and approval)**The Confidential Reporting for the Corporation policy was noted, together with a similar policy shared by another college. It was agreed to review both of these policies side by side at the next committee meeting.SW asked where these policies were held, and if they can be accessed by governors.DV said that though the College policies were held on the staff dashboard, the Corporation policies, after consultation and approval of members were only held the previous clerk’s hard drive.There was wide discussion about where all these policies should sit, and who has access. (as per Agendum 10) it was agreed the interim clerk to liaise with the Network Manager to explore a portal for governors to have secure access to papersClerk to update Confidential Reporting policy with email and addresses to DV |
|  | **Fraud, Financial Irregularity or Public Interest Disclosure**Nothing to report. |
|  | **Proposed Dates and Times of Meetings in the 2021-22 Year****Tuesday 14 June 2022 (17.30)** |
|  | **Any Other Competent Business**ESFA Good Practice Guide for Audit – updated 12 January 2022ESFA Good Practice Guide for Audit – highlighted changes to 23/10/20ESFA Good Practice Guide for Audit - draft self-assessment (external)DV Noted that this guidance is solid. ESFA is encouraging greater self-review and delivering on best practice by colleges, rather than spending undue time on self-assessment. RB Asked if the Audit Committee should monitor value for money (VFM)?PG Confirmed that the Audit Committee might look at internal auditor opinions of VFM, and not only on procurement but the overall delivery of academic success compared against benchmark. The link in the Guidance to the HE sector gives other options to be considered.ESFA Guide to be an agenda item for next committee to consider the self-assessment document.DV Noted that with VFM is essentially a constant, daily management concern at every stage. There was discussion about how governors would be able to monitor VFM, other than at the highest levels of solvency and delivery against the Development Plan.It was agreed to continue that discussion at the next meeting.SW Concerning the issue of heightened awareness of Cyber Security, is there is a business continuity plan in place? DV This was an internal audit of cyber security response in July 2021. However given the current situation it would be wise to review this, and PG was asked to review that audit report to check its rigour, or whether a fresh audit is necessary.DV As of 30 March we had interviewed as many prospective students as we had interviewed and made offers to across all of last year (1738).  That would be interviews all the way to the start of enrolment not including late enrolment. (Late enrolment was very reduced last year.) Yesterday I said that it was “offers” that had been matched, although that will also be tracking on more-or-less the same trajectory: most interviewees get offers.Additionally, the ALP 14-16 provision was inspected by the Borough along Ofsted lines, and was graded Outstanding! |