**CORPORATION OF SIR GEORGE MONOUX COLLEGE**

**Minutes of the Meeting of the Audit Committee (Ordinary Business)**

**held on 10 March 2020**

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| **Present** | Caroline Evans (Acting Chair), Kwame Atta, Talia Chirouf. |
| **In Attendance** | David Ball (Vice-Principal: Corporate Services), Chris Harris (MacIntyre Hudson: Internal Audit Service), Robert Smith (Clerk to the Corporation), David Vasse (Principal). |

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| **1** | **Apologies for Absence and Quoracy**  Apologies for absence were received from the following member of the Corporation: Riddhi Bhalla.  The meeting was quorate. |
| **2** | **Declarations of Interest**  None. |
| **3** | **Minutes of the Previous Meeting (25 November 2019)**  It was noted that the draft minutes had been approved by the Chair of the Committee for circulation.  The minutes were approved as a correct record of the business transacted, and *prima facie* evidence of the proceedings to which they relate. |
| **4** | **Matters Arising from the Minutes (25 November 2019)**  In relation to student headcount discrepancies (Minute 4), the Vice-Principal: Corporate Services reported that they had arisen because of timing differences. The number of students in-year is not a static picture, altering in response to exclusions and reinstatements. The key number is the total of funded students, which in 2018-19 was 1,611.  In relation to the virement of budgets (Minute 5), it was reported that arrangements had been proposed to, and agreed by, the Resources Committee, which entail approval of virements by the Committee on the Corporation’s behalf.  In relation to supplier turnover (Minute 5), the relevant report was provided to the Resources Committee. However, its purpose had been unclear to the Committee. If it is to verify the integrity of transactions and ensure that there are no related party issues arising therefrom, the Committee proposes that it be overseen by the Audit Committee within whose remit it would more appropriately fit. The Clerk to the Corporation was asked to clarify the Committee’s intentions in making the recommendation.  In response it was confirmed that the Corporation needed to have an overall view of the value of contracts, and the tender process attending them, for assurance that there are no loopholes as had been identified in the Bournville Report (e.g. two companies under common beneficial ownership having separate dealings with the College). It was agreed that the Audit Committee is the proper organ for conducting such oversight, and that an example of how the process is applied will be presented to the Committee for evaluation.  In relation to fitness of suppliers (Minute 5), it was confirmed that a form is completed for all new suppliers giving company details, the reason for the new supplier being needed, and the source of the request. The Finance team check Companies House information and the company’s website. For self-employed suppliers, other checks are conducted.  In relation to overseas activities (Minute 5), the Financial Regulations had been re-worded to fulfil the Committee’s requirements, with reports provided to the Resources Committee on a monthly basis. It was agreed that the prior agreement of the Chair of the Corporation as to the value of the proposed activity must be obtained before any expenditure is incurred or commitments entered into, such approval to be given under Chair’s Action, as prescribed in the Bye Laws of the Corporation, for report to the next meeting of the Corporation. |

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| **6** | **Risk Management Report, including Risk Register: Autumn Term 2018-19**  A report prepared by the Vice-Principal: Corporate Services was received and considered, together with a draft Risk Management Policy, unamended from that currently obtaining, following consideration by the Risk Management Group and the Senior Management Team.  The board-level risks were noted. They are actively overseen on behalf of the Corporation by the External Relations Committee and Quality & Performance Committee (as noted under Minute 7 below), as appropriate, and reviewed by the Corporation.  It was also noted that the risk to maintaining the College’s financial health through inadequate management of the impact on it of recruiting insufficient numbers of students had been reduced to below board level. The risk is actively overseen by the Resources Committee, who will advise the Corporation of any concerns in its regard.  The Risk Management Policy was approved on behalf of the Corporation.  A draft risk management plan for Covid-19 had been circulated shortly in advance of, and was considered at, the meeting. It was noted that controls had been put in place or are in hand in relation to the following risks: |

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|  | **.** | contamination at the College and/or of staff, students and other stakeholders; |
|  | **.** | staff and student absence through illness or self-isolation impacts on student performance (i.e. through loss of teaching & learning, work experience, support services); |
|  | **.** | temporary loss of key staff where the remaining team cannot cover expertise; |
|  | **.** | an enforced college closure disrupts its business and services: examinations, student recruitment, staff recruitment, forward planning & governance, site & resource maintenance; |
|  | **.** | vulnerable and disadvantaged students are disproportionately affected (e.g. potential loss of free meals and bursary, inability to study remotely); *and* |
|  | **.** | the college reputation suffers through adverse publicity. |

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|  | Members agreed that key areas of risk had been identified and that the mitigating actions are appropriate.  The following issues were specifically identified, and the College management agreed to consider how they could be accommodated within the plan, namely: |

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|  | **.** | support and reasonable adjustments for staff at higher risk of serious illness (i.e. older employees and those with relevant pre-existing health conditions), including enabling them to work at home, if feasible; |
|  | **.** | support for students having to learn at home, either through college closure or because of relevant pre-existing health conditions, in terms of loaned hardware and other measures; *and* |
|  | **.** | the capacity of the IT network to accommodate home-learning on a large scale by students. |

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|  | With regard to the impact on outcomes and progression of a significant college closure, it was reported that note is being taken of guidance issued by Ofqual. It was noted that the College is in a relatively strong position in that a majority of students are following assignment-based courses, and are nearing the end of their assignments.  It will be crucial, in the event of a college closure, to keep students engaged off-site where there may be unhelpful distractions and a lack of incentive to keep studying. In this connection it was confirmed that substantial resources will be applied to maintain active and frequent communication with students.  It was agreed that updates from relevant agencies, and the College’s responses to them, will be circulated to all members of the Corporation via the Clerk. |

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| **7** | **Reports from Other Committees on the Monitoring of Risk**  Minutes of the monitoring of board level risks by other committees were received for information. The Audit Committee was satisfied with the approach taken by each Committee. |
| **8** | **Internal Audit Reports 2019-20**  It was noted that seven internal audit reviews are being undertaken in the fortnight beginning 9 March 2020, the outcomes of which will be reported to members at least one month prior to, and be considered at, the next meeting. |
| **9** | **Internal Audit Business where a Status Update is Required from the College**  It was noted that one internal audit recommendation had remained uncompleted at the date of the previous Audit Committee meeting, namely:  *The College’s website and prospectus should be updated to detail the service standards of the College in terms of response rates to enquiries, applications and managing the interview process.*  It was reported that they had been updated with the introduction of the new online application process. Applications are reported to be at or in excess of 2018-19 levels.  It was further noted that there had been five external audit recommendations relating to free school meals, in respect of which it was reported that two had already been implemented at the date of the previous meeting. The other three had not been due to be completed, or apply only to future years. |
| **11** | **Report on the College’s Implementation of the General Data Protection Regulations 2018**  It was noted that a detailed report had been received at the previous meeting, after which progress had been limited owing to the Christmas break and the need for the Data Protection Officer to travel abroad for family reasons.  It was reported that, whilst most work had been undertaken, some remains due for completion by the time of the next meeting, namely: |

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|  | **.** | protecting the College’s data and information security infrastructure and systems from theft, damage, and destruction; |
|  | **.** | assisting the College to comply with data protection and information security regulations, GDPR and DPA 2018, in the context of measures to allow data subjects to exercise their access rights; |
|  | **.** | helping to ensure that the services the College offers as a public authority, and its suppliers or vendors’ practices and processes, comply with data protection and information security regulations and protect the College’s image; |
|  | **.** | assisting in and supervising required privacy audits and other controls; *and* |
|  | **.** | accomplishing all of the above affordably and efficiently. |

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|  | It was noted that the College’s compliance with data protection requirements is the subject of an internal audit review to be reported at the next meeting. |

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| **13** | **Schedule of College Policies (including review dates and person or persons responsible for review and approval)**  An updated schedule was received for information.  The Principal stated that a review of the College’s safeguarding policy is in progress, and will be presented to the External Relations Committee at its next meeting and to the Corporation thereafter for approval. It is being reviewed because of the likelihood of having 15-year olds on site owing to the Accelerated Learning Academy (ALA), though this new provision has not yet been finally decided. The ALA had been due to be discussed by the Corporation, with agreement to proceed in principle, in February.  The current safeguarding policy was approved by the Corporation in July 2019, and is therefore not due for re-approval until July 2020 (in variation of the date shown on the schedule). |
| **14** | **Schedule of Corporation Policies (including review dates and person or persons responsible for review and approval)**  An updated schedule prepared by the Clerk to the Corporation was received for information.  It was reported that a revision of the Bye Laws of the Corporation which had been due to be conducted at the 24 March 2020 Corporation meeting had, owing to the meeting’s cancellation in the context of the Covid-19 viral epidemic, been postponed until 5 May 2020. |
| **15** | **Fraud, Financial Irregularity or Public Interest Disclosure**  No incidents had been reported to the Clerk either in relation to the College or the Corporation. |
| **16** | **Date and Time of the Remaining Meeting in the 2019-20 Year**  The following date and time were noted:  ***Tuesday 16 June 2020 (5.30pm)***  It was also noted that whether the meeting will take place in a single venue or by telephone conference will depend on the public health circumstances at the time. |
| **17** | **Any Other Competent Business**  It was noted that the following business, in addition to any relevant matter noted under the List of Actions below, had been held over to the next meeting:  *Report of the College Internal Risk Assessment Committee*, at which a member of the Committee will present a report on its work.  *Form and Objectives of Internal Audit*, being to receive and consider a report from the Internal Audit Service concerning the scope and attendant resource implications of the service provided (as per Minute 6: meeting held on 17 June 2019).  *UK Corporate Governance Code.*  Reserved business had also been held over to the next meeting.  In addition, the following business is to be included at the next meeting:  *Reserves Policy.* |

**List of Actions Arising from This Meeting**

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| ***Minute*** | ***Person Responsible*** | ***Action*** |
| 4 | Vice-Principal: Corporate Services | An example of how new suppliers are vetted, and the attendant processes, to be presented to the Committee for evaluation. |
| 6 | The Principal  The Clerk to the Corporation | Updates concerning Covid-19 from relevant agencies, and the College’s responses to them, will be circulated to all members of the Corporation via the Clerk. |