

Brooklands College

Minutes of the Audit Committee
co-ordinated remotely via 'Zoom' meeting platform software,
across various domestic locations, commencing 18.00hrs on 9 February 2021.

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| Present: | Dr Andrew Gilchrist Mary Hughes Hilary Omissi OBE | Chair Safeguarding Governor |
| In Attendance: | Dr Stephen Dowbiggin OBE Sarah Glasspool Jonathan Lipscomb | Interim CEO Director of Finance & Human Resources Clerk to the Governing Body |
| Apologies: | Christine Ricketts | Principal |

Committee Member Paul Stedman has taken temporary leave of absence from the Governing Body.

PART 1.

1. Action in the event of fire

This item was noted as superfluous in this instance.

2. Welcome and apologies for absence.

Apologies for absence had been received from Christine Ricketts. The meeting was confirmed as quorate.

3. Declarations of Interest

- i. Andrew Gilchrist declared his other relevant position as Chair of Audit at Croydon College.
- ii. Dr Stephen Dowbiggin OBE declared his position as Chair of the Sainsbury's T-Level Committee.
- iii. No other declarations of interest were made.

4. Notification of Any Other Business

The Chair had not been notified of any other business.

The Principal had given a comprehensive update on the effects of COVID-19 at the meeting of the Committee held on 1 February, to which there was nothing new to add.

5. Draft Minutes of the Audit Committee Meeting (Part 1) on 1 February 2021

The minutes of the previous week's meeting had only been circulated earlier that day and in particular, the Chair had not had a chance to review them. It was therefore decided to postpone consideration of these minutes until the meeting on 25 May 2021.

6. Matters Arising and Action Points from the Minutes of the Meeting.

Noted:

- i. The only two actions currently arising out of the minutes of the meeting on 1 February 2021 were in abeyance pending the finalisation of the accounts. They would be reviewed, along with the minutes at the meeting on 25 May 2021.

7. IA Outstanding Recommendations Tracker

In the absence of the Principal, the Director of Finance & Human Resources introduced the Senior Management's revised IA Recommendations Tracker.

Noted:

- i. The tracker takes the form of a new Excel worksheet showing both previously agreed and revised implementation dates.
- ii. The version circulated represents the current position with respect to all recommendations relating to the 2019/20 year.
- iii. The Senior Management's risk team meet monthly to review and update this document.
- iv. Currently, most of the recommendations yet to be completed are centred on Governance (1) and GDPR (4). GDPR training is being rolled out during the current month.
- v. A number of recommendations have already been completed and do not therefore remain on this tracking document.
- vi. At the Internal Auditors' next follow up audit (date to be agreed) they will review all their outstanding recommendations, to assess progress and to confirm completion where that has been stated by the College.
- vii. In summary, the IA Recommendations Tracker is an internal document, in use to ensure that the relevant managers are held to account. It was being seen by the Audit Committee for the first time and the Management Team were keen to know if Governors approved of the new format and whether they believed that this process strengthens the College's management of risk.
- viii. Governors took a positive view but pointed out that there were no target dates against any of the recommendations associated with the Learner Numbers Systems Review.
- ix. The Management Team was awaiting assurances from the MIS Consultant as to realistic LNS target dates. The dates currently shown in the report are the original commitment made to Auditors.

Action: SLT to add Learner Number Systems target dates and to report back to the Committee that these have been met.

8. Review of Internal and External Auditor Appointments

Noted:

- i. The CEO had circulated the Senior Management Team's assessment of both the Internal and External Auditors, to give Committee members the opportunity to comment.
- ii. The External Auditors were highly rated.

- iii. The team had expressed some reservations over the Internal Auditors who had been assessed as being at the top end of 'adequate'. Concerns included the occasional use of junior staff, sometimes having to clarify recommendations, some missed deadlines and a perceived tendency to be too dramatic in their reporting.
- iv. Additionally, there had perhaps not been sufficient co-operation between the two sets of auditors.
- v. It was acknowledged that Internal Audit in a remote environment had proved particularly challenging and that mistakes had been made as a result.
- vi. The Senior Management Team were pleased that the Committee had agreed with their suggestion that the College put in place a tender process for Internal Audit, so that the successful candidate would be in place for the 2021/22 academic year.
- vii. The process had been outlined in the paper, with the Director of Finance and HR leading the process and members were asked to consider the level of their own involvement in the panel's operations which would then make a recommendation of appointment to the Full Governing Body.
- viii. Governors considered that it was preferable if the panel consisted mainly of Executive members who understood what they wanted from the appointed firm and would agree the questions to be asked at interview. The Chair of Audit agreed to Chair the panel since it is a Governing Body appointment.

Agreed:

- i. The Director of Finance & HR will lead a tender process for Internal Auditors resulting in a recommendation to Governors to appoint during the Summer term with a view to taking up the post on 1 August 2021.
- ii. The Chair of the Audit Committee will Chair the selection panel.

9. Update on Internal Audits 2020/21 [AC 20/21-05]

Noted:

- i. The Director of Finance and HR confirmed that the previous week Risk Management, Governance (focussing on Estate Development and the SPA) and Apprenticeships had been audited. There would be a meeting the following day with the Internal Auditors, to discuss outcomes, but she was not aware of any issues.
- ii. Internal Audit fieldwork on Learner Numbers, Human Resources and Key Financial Controls is due to begin on 22 February, the scope of which remains under discussion.
- iii. IT and follow up audits have yet to be scheduled.
- iv. The report was received without further comment.

10. Risk Management [AC 2020/21-06]

Noted:

- i. When reviewing the Risk Management Policy in August 2020, the Senior Leadership Team had identified that whilst processes had evolved and were proving effective in allowing the College to mitigate risk, the actual policy had not been updated to reflect those processes.

- ii. The opportunity had been taken to involve the Internal Auditors in the development of the policy. This had resulted in a closer focus on the role of the Audit Committee in College risk management, in identifying that policies and processes are in place and being followed and that those policies & procedures are informing Management by means of the appropriate level of the identification and monitoring of risks.
- iii. The key is to identify risks and to make sure that they are being addressed.

Agreed:

- i. A new policy will come forward to the Full Governing Body but for the moment the Audit Committee received the paper and noted the following aspirations for the policy:
 - a. More clearly to define the roles of Audit and other Governing Body Committees in the Risk Management Policy.
 - b. To seek to devise a quantifiable system for assessing the level of residual risk for specified risks and the Governor's appetite for risk in these areas so that any exposure can be clearly flagged to the Full Governing Body.
 - c. To confirm that the major role for the Audit Committee in this process is to ensure the College has and adheres to clear protocols for evaluating, managing and reporting risk and that these are adequate and fit for purpose.

11. Any Other Business

There being no other business, the meeting was closed at 19.15.

12. Date of Next Meeting

25 May 2021.

Dr Andrew Gilchrist

Chair of the Audit Committee

Date:

Jonathan Lipscomb

Clerk to the Governing Body