



**GREENHEAD COLLEGE CORPORATION**

**Minutes of the Audit & Risk Committee meeting held virtually using Teams  
Monday 22 February 2021, 4.30pm**

**Govs present:** A&R members: Alison Jones (from 5.11pm); Mark O'Connor; Paddy Diamond; Richard King (Chair) / other Govs: Abby Barraclough; Stuart Irving

**In attendance:** Rosalind Armstrong (internal audit); Mike Benson (external audit); John Blake; Simon Lett (Principal); Ian Leedham (Clerk)

**Apologies:** Michelle Wheatcroft

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>1. Apologies, declarations</b>	MWH apologies received. AJO had previously advised Clerk she would be late arriving.	
<b>2. Declarations</b>	No declarations of pecuniary/ prejudicial interest.	
<b>3. Minutes 23/11/20</b>	<p><b>3.1</b> Minutes 23/11/20, previously circulated, agreed by Committee, signed-off by Chair, returned to Clerk for filing.</p> <p><b>3.2</b> Matters arising not covered on agenda:</p> <ol style="list-style-type: none"> <li>(23/11/20 min Joint-3, Corporation Annual Report 2019/20): complete; see min 6.1 below</li> <li>(23/11/20 min 3.2.2, contingency element in Risk Register): see min 4.2.5 below</li> <li>(23/11/20 min 6.3.3, domain password controls): JBL has checked with Network Manager – resolved</li> <li>(23/11/20 min 8.3, Project Management audit): Rosalind to add to internal audit programme 2021/22; SLE to document College’s project management requirements &amp; responsibilities</li> <li>(23/11/20 min 8.4, Marketing &amp; Communications audit): to be added to internal audit programme 2021/22</li> <li>(23/11/20 min 8.5, Staff Absence Management audit 2020/21): broader focus on staff wellbeing – SLE to ensure recent Staff Wellbeing Survey results are fed in.</li> </ol>	<p>Clerk</p> <p>Rosalind</p> <p>SLE</p> <p>Rosalind</p> <p>SLE</p>
<b>4. Risk management &amp; mitigation</b>	<p><b>4.1</b> Committee discussed capital development in respect of identifying and mitigating overall risks &amp; key sub-risks. Main points included:</p> <ol style="list-style-type: none"> <li>no separate risk assessment yet due to ongoing changes to control option (should become clearer over next two weeks as contractor meetings continue) and awaiting Mace costs for College-funded additional works (hoping to learn more at Mace meeting 23/2/21)</li> <li>Corporation will need to scrutinise latest scheme design</li> </ol>	

	<p>proposals/options, across both the DfE scheme and additional related College infrastructure investment (taking account of related capacity, practicability, and affordability issues)</p> <ol style="list-style-type: none"> <li>3. in terms of risk mitigation and contingency planning, Committee agreed that a separate Capital Development Risk Register should be created, referenced in the overall Risk Register</li> <li>4. Committee noted that key risks include the accountability framework (College, contractors, DfE) and project management</li> <li>5. risk and audit-related issues to be considered at next A&amp;R 10/5/21</li> <li>6. noted that works need to start by Sep 2021 (across DfE programme), aiming for completion Sep 2023</li> <li>7. SIR would value ability to have a site walk-round (Covid restrictions in place for nearly all of his tenure as a Gov) – JBL to arrange.</li> </ol> <p><b>4.2</b> Committee reviewed the Risk Register, previously circulated. Main points included:</p> <ol style="list-style-type: none"> <li>1. RKI commented that Risk Register document cuts-off at 'responsibility' column, with further information remaining hidden – JBL to address</li> <li>2. capital development risk planning considerations as per min 4.1 above</li> <li>3. funding is an important risk area, given absence of long-term Government funding commitments and uncertainty about continuation of grant towards teachers' pension costs</li> <li>4. exams is another important risk area in context of capital development – min 10.2 below relates</li> <li>5. contingency planning element yet to be included in Risk Register – JBL to progress</li> <li>6. related discussion of Reserves Policy, under development – see min 4.3 below</li> <li>7. following RKI point, agreed Risk 1 (Covid vulnerability) to include reference to testing process risk assessment – JBL to action</li> <li>8. business continuity plans &amp; implementation (Risk 6, disasters, relates) – see min 10 below</li> <li>9. following Mike B point, agreed to streamline responsible officer / risk owner (probably key S.L.T. officer) listed in 'Responsibility' column – JBL to action – MOC to share a helpful tool from his own company to help inform this</li> <li>10. RKI argued for inclusion of link between risk identified, issue arising, mitigating action, effect of this action – JBL to consider (Risk 9, drugs, is an example of this, with effective action taken via for example named lockers).</li> </ol> <p><b>4.3</b> Reserves Policy, under development, considered by F&amp;E Committee 8/2/21 and to be revisited at next F&amp;E (26/4/21) following sensitivity and benchmarking analysis – policy to specify a quantified level of reserves that College</p>	<p>Clerk re CORP agendas</p> <p>SLE&gt;JBL</p> <p>Clerk re agenda</p> <p>SLE&gt;JBL&gt; SIR</p> <p>SLE&gt;JBL</p> <p>SLE&gt;JBL</p> <p>SLE&gt;JBL</p> <p>SLE&gt;JBL</p> <p>SLE&gt;JBL; MOC</p> <p>SLE&gt;JBL</p>
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	<p>is aiming for, for specified purposes (e.g. to fund capital infrastructure investment &amp; rolling investment plan over say a 5 year period), taking into account Corporation's risk position. Main points from Committee discussion:</p> <ol style="list-style-type: none"> <li>1. noted there are not limitations on level of reserves a college can hold, and no prospect of funder claw-back</li> <li>2. in the absence of guidelines on reserves levels, Mike B argued for scenario planning approach, identifying sufficient reserves to see College through an initial two year period ('weathering the storm'), pending more fundamental action to trim costs</li> <li>3. Mike B also pointed to reserves being a key source of a match funding pot</li> <li>4. SIR pointed to reserves being needed to cover 'finishing-off' of the upcoming new &amp; remodelled buildings.</li> </ol>	SLE>JBL note
<b>5. Audit management</b>	<p><b>5.1</b> AuditOne Recommendation Report, circulated prior to meeting, summarised by Rosalind and discussed by Committee:</p> <ol style="list-style-type: none"> <li>1. provides a live view of data from AuditOne system along with helpful prompts to named officers</li> <li>2. RKI asked if 'Open, Not Yet Due' (tab 1) implementation dates are likely to be met – JBL said they were</li> <li>3. Committee welcomed having all this audit-related information, including progress with implementing recommended actions, in one place.</li> </ol> <p><b>5.2</b> Audit programme 2021/22 to include both Project Management audit and Marketing &amp; Communications audit, and may include ALPS audit (see min 7 below).</p>	Rosalind note
<b>6. Reporting</b>	<p><b>6.1</b> Corporation Annual Report 2019/20: JBL confirmed this has been finalised and sent to ESFA &amp; Bank and published on College website.</p> <p><b>6.2</b> External Audit Report 2020/21: Mike B to provide plan for consideration at next A&amp;R 10/5/21; to be substantial focus on Covid-related financial procedures &amp; effects; likely to be mixed on-site &amp; remote methodology.</p>	Mike B; Clerk re agenda
<b>7. ALPS assurance</b>	<p>Committee discussed potential for ALPS scrutiny/review (focusing on validity/reliability/robustness of data going into and especially generated by ALPS) to feature in internal audit 2021/22 programme, or else to be progressed on a commissioned project basis involving an educationalist – agreed SLE to discuss with Rosalind in respect of AuditOne expertise to undertake such an audit, and to report back to next A&amp;R 10/5/21. SLE &amp; PDI highlighted triangulation of different student performance data sources, including</p>	SLE > Rosalind Clerk re agenda

	ALPS.	
<b>8. Policies</b>	No policies/procedures to review on this occasion.	
<b>9. Updates</b>	No legal, regulatory, sector updates on this occasion.	
<b>10. AoB</b>	<p><b>10.1</b> Rosalind summarised and Committee discussed Business Continuity audit report, previously circulated, focusing on use, development, and implementation of Disaster Management Plan. Agreed Plan to be made more practical &amp; usable (as a living document) and explicitly dovetailed with Risk Register and IT Strategy, updated as needed, and reviewed annually. Recognised that Plan has de facto been tested through Covid response, demonstrating good capacity to deal with emergencies. Related discussion of lessons learned from Covid response – primarily need for sufficient agility and flexibility to respond to emerging scenarios.</p> <p><b>10.2</b> Above approach (min 10.1) to be applied and further tested through planning for and mitigating risks in the capital development programme. One immediate practical example is mitigating exam-based risks, potentially involving the need to investigate off-site provision for exams.</p>	SLE note
<b>11. Confidentiality</b>	No confidential minutes or papers identified.	
<b>12. Date next mtg</b>	A&R Committee Mon 10 May 2021, 4.30pm (audit & risk management focus)	Govs note

**Minutes prepared by Ian Leedham (Clerk to the Corporation) on 24/2/21**

**Signed off by Richard King, Chair, at Audit & Risk Committee 10/5/21**