

**GREENHEAD COLLEGE CORPORATION**  
**Minutes of the Audit & Risk Committee meeting held virtually using Teams**  
**Monday 20 September 2021, 4.30pm**

**Govs present:** Chris Kneale; Ella Briggs; Mark O'Connor (from 4.44pm); Michelle Wheatcroft; Richard King (Chair)

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

**Apologies:** Daniel Bellanfante

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>1. Apologies</b>	Apologies as above. RKI explained that future meetings will be face-to-face at College, where possible.	
<b>2. Declarations</b>	No declarations of pecuniary/ prejudicial interest.	
<b>3. Minutes 10/5/21</b>	<p><b>3.1</b> Minutes 10/5/21, previously circulated, agreed by Committee, signed-off by Chair, returned to Clerk for filing.</p> <p><b>3.2</b> Matters arising in respect of 10/5/21 actions:</p> <ol style="list-style-type: none"> <li>1. 10/5/21 min 5.2.4 (Finance &amp; HR digital package): JBL progressing</li> <li>2. 10/5/21 min 5.5 (ALPS audit): dates to be agreed (noted dates already agreed for enrolment audit)</li> <li>3. 10/5/21 min 8.1 (Audit Committee role &amp; scope guidance hyperlink): on Clerk's task list for actioning</li> <li>4. 10/5/21 min 8.2 (external auditor date of appointment in A&amp;R annual report): date confirmed &amp; will be included</li> <li>5. 10/5/21 min 9.2 (new build assets on College P&amp;L balance sheet): JBL to draft note on this, following discussions held with DfE.</li> </ol>	<p>Clerk</p> <p>JBL</p> <p>Clerk</p> <p>JBL</p>
<b>4. Review Committee Terms of Reference</b>	<p><b>4.1</b> Committee to review its existing ToR, previously circulated, to ensure compliance with ESFA Post-16 Audit Code of Practice 2020/21 (paras 27-35), previously circulated – agreed Clerk to undertake review along above lines and report back to next A&amp;R meeting 15/11/21.</p> <p><b>4.2</b> RKI asked three questions about existing ToR:</p> <ol style="list-style-type: none"> <li>1. duty 'to consider and advise Corporation on relevant reports by funding bodies and other assurance providers...' – Mike clarified this would relate to any audit of funding carried out by ESFA</li> <li>2. what are 'independent training providers' – SLE addressed, explaining not relevant in Greenhead context</li> </ol>	Clerk & re agenda

[MOC arrived 4.44pm]	3. ESFA subcontracting requirements – confirmed Greenhead has no such subcontracting arrangements.	
5. Risk management & mitigation	<p><b>5.1</b> Committee considered College Risk Register, updated Covid Risk Register, and updated New Build Risk Register, all previously circulated. Main discussion related to Wayne’s letter, previously circulated, suggesting amended register format based on initial review of New Build Register in context of overall Register (agenda item 6.2), which Committee endorsed:</p> <ol style="list-style-type: none"> <li>1. group related risks together to provide increased focus on most important strategic risks (series of headings suggested)</li> <li>2. scoring format, using multiplication of impact and likelihood ratings, is needed across all registers</li> <li>3. consistency of risk designations needed, including in relation to risks attributed to new build in College overall Register and New Build Register</li> <li>4. use each of initial/raw risk ratings, controls to mitigate, and subsequent residual risk ratings to show effectiveness of control measures over time and whether additional measures are needed</li> <li>5. add a matrix of scoring criteria descriptors (example given)</li> <li>6. take account of format example template worked up by Ian Harmer (Wayne’s colleague) as set out on p.6 of Wayne’s letter.</li> </ol> <p><b>5.2</b> MOC, further endorsing the above analysis &amp; suggestions, argued for a methodology whereby risks are prioritised and ranked in actionable format, helping to enable an organisation to drive continuous improvement. Along these lines, he will send JBL a link to FMEA-RPN methodology (Failure Mode and Effects Analysis, similar to our Risk Register, with risk prioritisation). This will enable a ‘top 10 risks’ type report to come to this committee in future (across overall, Covid and new build risks).</p> <p><b>5.3</b> Risk contingencies/liabilities: contingency element remains to be added, in respect of what to do if risk turns into a current issue, despite all mitigations implemented.</p> <p><b>5.4</b> Discussion of specific risks:</p> <ol style="list-style-type: none"> <li>1. RKI argued that college’s non-compliance with social space guidelines should be included as a risk</li> <li>2. partially linked to above, Risk 11 in overall Register, college enrolment increase, is now a current issue <i>and</i> ongoing risk (e.g. in terms of potentially making college less attractive to future cohorts, especially in context of new build) potentially leading to lower enrolment</li> <li>3. linked to this, CKN asked whether H&amp;S comes into A&amp;R Committee remit, in context of college being extremely busy e.g. between lessons – Committee agreed that</li> </ol>	MOC

	<p>safety related concerns are indeed part of its remit.</p> <p><b>5.5</b> Agreed JBL to review and update all three risk registers in light of points in mins 5.1-5.4 above and circulate to Committee in advance of next meeting 15/11/21.</p> <p><b>5.6</b> Covid Register has been updated to incorporate latest contact tracking procedures, self-isolation procedures, face covering recommendations, and home testing regime. <b>RKI asked how Covid is currently impacting College, about levels of vaccination, and about how many staff/students have been seriously ill with Covid:</b></p> <ol style="list-style-type: none"> <li>1. SLE updated on current statistics and warned that picture would likely deteriorate further later this term and into next term, despite improved vaccination &amp; testing situation, and will probably lead to updated Govt guidance on face coverings; uncertain impact on exams 2022 so cannot rule out a further TAGs process</li> <li>2. SLE pointed out that last staff survey showed 96% had received vaccine 1 and 77% vaccine 2 – College intends to gather equivalent student data later this term</li> <li>3. SLE pointed to 200 students having had Covid, with no data on how many were seriously ill, and 44 staff having had Covid, with small number hospitalised and small number with Long-Covid.</li> </ol> <p><b>5.7</b> New Build Register has been updated to include Committee link and residual risks are now higher. Content will be further updated in liaison with Galliford Try as the new build progresses.</p> <p><b>5.8</b> Committee noted that Disaster Management Plan revisions based on new build programme detail, as it emerges, will be considered by this Committee (as agreed at Corporation 12/7/21, min 7.1). Further (under agenda item 6.4), <b>MOC &amp; subsequently RKI asked Wayne &amp; SLE about utility of this Plan</b> given that it wasn't used as starting point for Covid response:</p> <ol style="list-style-type: none"> <li>1. Wayne confirmed this is an issue for most colleges</li> <li>2. Plan will be tested on some 'likely', important scenarios, perhaps up to six, this academic year – SLE to feed back to Committee on this at next meeting 15/11/21.</li> </ol>	<p>JBL; Clerk re agenda</p> <p>Clerk re agenda</p> <p>SLE; Clerk re agenda</p>
<p><b>6. Internal audit</b></p>	<p><b>6.1</b> Committee considered Staff Absence Management internal audit report (received 26/5/21), previously circulated, which Wayne summarised. Linking HR and Payroll systems is key action going forward.</p> <p><b>6.2</b> New build risk management (capital project risk register) letter, previously circulated, covered in min 5.1 above.</p> <p><b>6.3</b> Committee considered report on follow-up of non-IT recommendations, previously circulated, which Wayne</p>	

	<p>summarised. Many recommendations already implemented. SLE, JBL &amp; Wayne have agreed to increase budget to test implementation of further recommendations beyond the sample of 10 tested to date.</p> <p><b>6.4</b> Report on follow-up of IT recommendations, previously circulated. Wayne described tracking and validation process regarding implementation of audit recommendations; JBL feels this process works well.</p> <p><b>6.5</b> Committee noted that Strategic &amp; Annual Internal Audit Plan to follow. JBL &amp; Wayne are agreeing list of audits for this academic year – proposed schedule to come to next meeting of this Committee.</p>	JBL/Wayne Clerk re agenda
<b>7. External audit</b>	<p>Mike verbal update:</p> <ol style="list-style-type: none"> <li>1. planning work undertaken over summer with JBL</li> <li>2. on site work planned from w/b 27/9/21, with usual autumn timescales following on from that</li> <li>3. <b>RKI asked if any pre-audit risks identified</b> – no, none identified, but this year will focus more on how procedures, such as financial sign-off procedures, amended in light of Covid, have been implemented</li> <li>4. <b>RKI asked if income audit is taking place</b> – will give opinion on Financial Statements rather than conduct full income audit.</li> </ol>	
<b>8. Policies</b>	No policies/procedures to review on this occasion.	
<b>9. Legal, regulatory, sector updates</b>	<p>Mike verbal update:</p> <ol style="list-style-type: none"> <li>1. referring back to A&amp;R 10/5/21 min 8.4 (external auditors to present findings directly to Corporation meeting), upon reflection it would be sufficient for Corporation Chair to attend joint meeting of this Committee with Finance &amp; Estates Committee (15/11/21), so Chair can be directly sighted on external audit feedback</li> <li>2. <b>RKI asked about how we are meeting requirement for Corporations to re-tender for external auditors at least every 5 years</b> (A&amp;R 10/5/21 mins 8.2 &amp; 8.3 relate) – Murray Benson now in fifth year – Mike suggested that JBL review how other colleges have dealt with this in respect of specification and process (he mentioned colleges in North West specifically, where this has been dealt with in a consistent way) – MOC added that JBL could also seek out SFCA guidance on this – seeking five expressions of interest could be way forward – JBL to liaise with RKI, Richard Armstrong, SLE</li> <li>3. SLE referred to SFCA 'Request for Feedback on External Governance Reviews' – Clerk to circulate request to Governors.</li> </ol>	<p>Clerk to inform RAR</p> <p>JBL to progress</p> <p>Clerk</p>

<b>10. AoB</b>	None.	
<b>11. Confidentiality</b>	No confidential minutes or papers identified.	
<b>12. Date next mtg</b>	Date of next meeting: Mon 15 Nov, 5.00pm, initially jointly with Finance & Estates Committee ( <i>note this is a week earlier than originally billed; also note 5.00pm start time</i> ); face-to-face at College if possible.	All: note

**Minutes prepared by Ian Leedham (Clerk to the Corporation) on 23/9/21**

**Signed off by Richard King, Chair, at Audit & Risk Committee 15/11/21**