

**GREENHEAD COLLEGE CORPORATION**  
**Minutes of the Audit & Risk Committee meeting held in College, G17**  
**Monday 24th April 2023, 4.30pm**

**Govs present:** Alison Jones; Chris Kneale; Richard King (Vice Chair); Stuart Irving

**In attendance:** Wayne Brown (internal audit) (from 17.00); Mike Benson (external audit); Mark Jones; Simon Lett (Principal); Sharon Roper (Clerk)

**Apologies:** Elliot Gill; Michelle Lister; Mark O'Connor; Mohammed Usman

AGENDA ITEM	DISCUSSION	ACTION
<b>1. Welcome, Apologies</b>	Richard King chaired the meeting in Mark O'Connor's absence. Participants welcomed. Apologies as above.	
<b>2. Declarations</b>	No declarations of pecuniary/ prejudicial interest.	
<b>3. Minutes 27/2/23</b>	<b>3.1</b> Minutes 27/2/23, previously circulated, agreed by Committee, signed-off by Vice-Chair, returned to Clerk for filing.  <b>3.2</b> Matters arising: (Item 5.1) SIR asked if there was an update into the potential implementation of a college bus for the Dewsbury area. MJO said he has no update on this yet.	Clerk
<b>4. Risk management &amp; mitigation</b>	Committee considered College Risk Register and New Build Risk Register, all previously circulated.  <b>4.1</b> College Risk Register:  RKI said that being unable to reclaim VAT is not a risk it's a fact and this shouldn't be on the register. The risk is that we may be unable to expand because we are unable to get a loan, or we can't get VAT recovery, and he asked for this to be changed. MBE agreed that this should be taken out of the register.  <b>4.2</b> New Build Risk Register:  The register has been reformatted, it's now easier to follow and to print and the content has been slightly reduced.	MJO



	<p>4. Wayne Brown reflected that the two audits were a good result for GC.</p> <p>The Strategic &amp; Business Planning has a good foundation with peripheral recommendations, GC clearly recognises the direction of travel with the education sector.</p> <p>The Safeguarding audit was compliance based; key requirements were chosen from Ofsted's handbook.</p> <p>5. A date is agreed for the IT Disaster Recovery audit. Risk Management and Follow up audit dates need to be agreed. A Capital audit was offered to GC but there has been no uptake with this yet.</p> <p>6. If GC struggle to appoint an internal auditor, Wayne offered a discussion about extending the contract to cover 2023/24 academic year. He confirmed this year's schedule will be completed by AuditOne.</p>	
<b>6. External audit</b>	<p>External Audit Strategy, previously circulated, Mike Benson summarised.</p> <p>This is similar to last year's document.</p> <p>It confirms that with the agreement held, fees are only increasing by 2%.</p> <p>In response to RKI's question, Mike said in the private sector non-audit work has increased by 7% and audit work has increased by 12%.</p> <p>Mike said that fraud is always a risk and he made clear to governors that they must report any fraud. Fraud was discussed, there are no known issues, and it was confirmed that there are policies and risk registers in place to cover the issue of fraud.</p> <p>On page 9 of the External Audit Strategy Report, the key risks revenue recognition, going concern, and management override of controls are unchanged.</p> <p>On page 10 the risks pertinent to colleges are expenditure and value for money, as funding comes from public money, payroll, accruals and prepayments, capital expenditure and if building expenditure has been appropriately treated as capital or repairs.</p> <p>Mike said capital expenditure can be complicated and there are technical rules to follow. He shared some examples, a roof being repaired, although it's a large valuable item it should be treated as a repair not capital. If a room is repurposed and improved, it can be capital, but the expenditure spent on replacement must be written off.</p> <p>An Audit Planning timetable has been agreed with MJO.</p> <p>SIR asked about the budget overspend on remedial work on the estate. MJO explained this related to the premises team finding Health &amp; Safety essential work that needed immediate attention. Mike said this is treated as a risk as it can be interpreted as repairs or capital if a big improvement is made.</p>	

<b>7. Policies</b>	<p>Gifts &amp; Hospitality Policy</p> <p>MJO has made changes which are highlighted in red. These include:</p> <p>(1f), 'personal discounts by companies which offer services to the school' has been added.</p> <p>Section 3, one off gifts, timeframe 'of any 12-month period' has been added.</p> <p>AJO asked if GC has a separate donation policy, it doesn't, she suggested extending this existing policy to include donations or setting up a new donation policy. Currently only a £50 donation can be accepted as it isn't covered under any policy. Due diligence needs to be added to any new donations policy.</p> <p>AJO agreed to send a copy of a redacted Gifts &amp; Donation Policy from her workplace.</p> <p>CKN suggested that the £10 small gift value be reviewed due to inflation, this figure is repeated throughout the document. It was agreed to change this figure to £20.</p> <p>As the next meeting is academic year 2023/24, RKI asked that the amended version be circulated to committee members, via the clerk, and a quorate response (3 governors) is required.</p>	<p>AJO</p> <p>MJO</p> <p>MJO/Clerk/ Governors</p>
<b>8. Confirm new chair</b>	<p>MOC has been a GC governor for 9 years and will step down in May 2023.</p> <p>MOC was thanked as the outgoing Chair of A&amp;R committee.</p> <p>It was unanimously agreed that SIR become chair of A&amp;R committee.</p> <p>RKI will remain as Vice-Chair.</p>	
<b>9. Legal, regulatory, sector updates</b>	<p>Mike Benson gave a verbal update:</p> <p>1. There is a push for college year ends to change to 31<sup>st</sup> March to fit in with Treasury.</p> <p>MJO said this was put to a vote at SFCA, and the response from participants was 100% against it.</p> <p>Wayne commented that changing the year end date will also increase costs. Mike said the big audit firms will feedback to government saying that the costs of auditing the education sector will rise as you're competing against everyone else with a March year end.</p> <p>2. All colleges must complete a return complying with managing public money to cover the period when sixth form colleges became part of the public sector up to 31<sup>st</sup> March.</p> <p>MJO confirmed that he is aware of this, and it will be submitted by the deadline.</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: TBA (academic year 2023/24).	All: note

**Minutes prepared by Sharon Roper (Clerk to the Corporation) on 3/5/23**

**Approved & signed by, Richard King, Vice Chair dated 11/9/23**