

**GREENHEAD COLLEGE CORPORATION**  
**Minutes of the Audit & Risk Committee meeting held via Teams**  
**Monday 11<sup>th</sup> September 2023, 4.30pm**

**Govs present:** Chris Kneale; Elliot Gill; Richard King (Vice Chair); Stuart Irving (Chair)

**In attendance:** Rosalind Armstrong (internal audit); Mike Benson (external audit); Mark Jones; Simon Lett (Principal); Sharon Roper (Clerk)

**Apologies:** Alison Jones; Mohammed Usman

<b>AGENDA ITEM</b>	<b>DISCUSSION</b>	<b>ACTION</b>
<b>1. Welcome, Apologies</b>	Richard King chaired the meeting as Stuart Irving had technical camera issues. Participants welcomed. Apologies as above.	
<b>2. Declarations</b>	No declarations of pecuniary/ prejudicial interest.	
<b>3. Minutes 24/4/23</b>	<b>3.1</b> Minutes 24/4/23, previously circulated, agreed by Committee, signed-off by Vice-Chair, returned to Clerk for filing.  <b>3.2</b> Matters arising: (Item 4.1) MJO has removed the college not being able to reclaim VAT as a risk from the college risk register. (Item 4.2) MJO confirmed he received governor assistance to simplify the risk registers.	Clerk
<b>4. Risk management &amp; mitigation</b>	Committee considered College Risk Register and New Build Risk Register, both previously circulated.  <b>4.1</b> College Risk Register: RKI asked what the most important risks on the register are, MJO said it's the risks that are highlighted red on the register and this includes IT firewalls. RKI asked if there have been incidents of the GC system being attacked – there hasn't. SLE said that the firewall is protecting GC from daily fraudulent emails.  (E5) 'College is vulnerable to cyber attacks' – RKI asked how efficient the back-up and recovery system is in the event of a cyber attack. MJO said this is unknown without testing the system.	

	<p>RKI asked if we have a contractor who holds back-ups of our systems. MJO replied that we have daily back-ups which are stored in several locations. MJO will ask GC's Cyber Security Manager to detail the back-up process for governors. Rosalind Armstrong (Audit One) added that an IT Disaster Recovery Audit has been undertaken and a draft report has been issued, the draft report has been issued with a good level of assurance which can be linked back to the risk register and provide assurance to this committee.</p> <p>(SS4) ' Students are unsupported in their studies due to inadequate transport links' – RKI asked if the processes that were used during Covid could be used for teaching when transport is an issue. SLE said these are put in place when there is genuine need, a balance is needed, or there is a risk that students will learn remotely and never attend college.</p> <p><b>4.2 New Build Risk Register:</b> RKI asked about the biggest risks on this register and commented that there are fewer red highlighted risks than previously. MJO said the delay in the handover date of Hirst building from GT has reduced some risks. (C2) – Building noise disrupts lessons, exams, and events' – MJO feels this will be the biggest challenge when Phase 3 starts. RKI used (E13) 'Loss of key utilities and services during demolition' as an example, pointing out that the mitigation plan is 'in progress' but the exposure risk is reduced to 8. EGI said that the Risk Mitigation Response Plan is in progress in this example. It was decided that the phrasing will be changed from 'in progress' to 'in place'. E10 – 'Not enough time to move into Hirst Building', RKI queried the risk rating on this. EGI said the score should be lowered on this risk due to the delayed handover date, MJO will review E10. RKI asked that for the yellow and amber risks it details if a plan is in place or not. EGI checked that the 'certain' on the scoring matrix has been amended (Corp 2/7/23 min. 8) – it has been changed to 'very likely'. RKI and SIR praised MJO for the work he's done on the risk registers.</p>	<p>MJO</p> <p>MJO</p> <p>MJO</p> <p>MJO</p> <p>MJO</p> <p>MJO</p>
<p><b>5. Compliance report</b></p>	<p>MJO summarised key points from the Compliance report, previously circulated.</p> <p>1. The report has been produced to reassure governors that compliance checks are in place and taking place as they should.</p>	

	<p>2. The key areas covered are asbestos, electrical appliances, fire safety, gas safety, legionella, and lightning conductor testing, this is not the entirety of the tests carried out on site, but these are some of the key areas.</p> <p>3. All the information and evidence are stored on a central site, MJO would like this to be held on a digital system in the future.</p> <p>4. The last Asbestos Report was October 2020, and this shows 19 areas with category 3 asbestos, 8 of these will be removed during Phase 3. An Asbestos Management Plan needs to be put in place.</p> <p>5. Almost 7000 electrical items were PAT tested earlier this year. Annual testing will take place.</p> <p>6. Fixed wire testing is every 5 years and there is a rolling programme for this.</p> <p>7. Internal fire risk assessments are held. An external independent consultant has been engaged to advise on the Phase 3 adjustments and will produce a fire risk assessment for GC during the Phase 3 building work.</p> <p>8. Regular checks like emergency lighting, smoke heads etc. are undertaken by the premises team, and their evidence is available for inspection. They often do all their testing at once in a building at the weekend rather than disrupting the college day.</p> <p>9. EGI asked if fire extinguishers have an inspection sequence to check if they have been damaged and feels this should be weekly. MJO said they are checked annually; he will speak to premises about more regular checks.</p> <p>10. As the last Asbestos Report was completed in 2020 SIR asked when this will be reviewed, MJO said as there will be a significant change with Phase 3, a resurvey will be done.</p> <p>11. SIR asked if a system is in place in the Hirst building to pick up if the gas taps in the labs are purposely left on, MJO will check this.</p> <p>12. Legionella was found on one outlet; this has been resolved.</p> <p>13. Lightning conductor testing is annual.</p> <p>14. The two areas MJO will concentrate on first are fire safety and the risk assessment and an asbestos management plan, he is waiting for Phase 3 before these can be completed.</p> <p>15. RKI asked if any of this work mitigates the cost of insurance. MJO said this work is expected and doesn't reduce the cost. In response to RKI's question SLE said this was a new report due to the remedial work issues discovered last year.</p> <p>16. RKI asked what other areas will be covered by future reports, MJO said lifts, fire doors, fire evacuation routes, first aid and defibrillator will be added in.</p> <p>17. RKI asked if it will cover internal vehicle traffic patterns around the college and the egress and ingress into the site. MJO said this does get checked.</p>	<p>MJO</p> <p>MJO</p> <p>MJO</p> <p>MJO</p>
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	<p>18. SIR asked about compliance for supply teachers, MJO said this is covered by the Single Central Register and sits with HR.</p>	
<p><b>6. Internal audit</b></p>	<p>Update on Internal Audit by Rosalind Armstrong.</p> <p><b>6.1 Progress Report</b> – this updates the position of the 2022/23 internal audit plan.</p> <ul style="list-style-type: none"> <li>• Two audits are finalised: Safeguarding and Strategic and Business Planning Audit</li> <li>• IT and Infrastructure and Disaster Recovery Plan is issued as draft; the report has a good level of assurance.</li> <li>• The Risk Management Audit and the Follow Up Audit are at the field work stage.</li> <li>• Audit One have not received a request for the Capital/Risk Audit (this was a contingency) to be completed.</li> <li>• It's expected that the internal audit plan will be completed by the A&amp;R meeting on 13/11/23.</li> </ul> <p><b>6.2 Strategic Business Planning Audit</b> –</p> <ul style="list-style-type: none"> <li>• There were no significant weaknesses identified.</li> <li>• A good level of assurance was assigned to the audit.</li> <li>• 5 low level recommendations were made: <ul style="list-style-type: none"> <li>-updating the strategic plan with SMART targets, links to supporting plans, assigning ownership for strategic goals (already actioned).</li> <li>-Finalised IT Strategy linked to costed plan and financial forecast.</li> <li>-Formalising engagement with stakeholders and external partners (already actioned).</li> <li>-Delivery of Strategic Plan should be costed to ensure it's reflected within the financial forecast.</li> <li>-Narrative within the Principal's Report to Corporation is extended to explain any variances to the plan.</li> </ul> </li> <li>• RKI asked if the Strategic Plan has been updated since the Capacity Fund and Free School decisions. SLE said further information will be discussed at the CDC meeting on 20/9/23, the Strategic Plan will be updated when a clearer direction of travel is determined.</li> </ul> <p>SIR asked about the future of GC's internal audit provision as Audit One are not continuing in the education sector. Rosalind agreed to speak to SLE offline about Audit One extending the contract for a further year. RKI asked what will happen if the contract isn't extended, SLE said he would ask for recommendations from colleagues in the Norvic group. RKI asked about timescales to setting a new company on, this is currently unknown.</p>	

	It was agreed that initially SLE will discuss extending Unit One's contract for a year.	
<b>7. External audit</b>	<p>Mike Benson had nothing to update.</p> <p>SLE asked if a decision has been made to changing the college year ends to 31<sup>st</sup> March. Mike said there was big opposition to this change, although not confirmed, it is looking likely it may stay as it was.</p>	
<b>8. Policies</b>	<p>1. Gifts &amp; Hospitality Policy RKI asked if the suggested changes to the policy have been made (24/4/23 Min.7), MJO confirmed they have.</p> <p>2. Freedom of Information Policy 3. Data Protection 4. Risk Policy 5. Anti-fraud, Bribery &amp; Corruption</p> <p>The above policies were approved.</p>	
<b>9. Legal, regulatory, sector updates</b>	<p>Mike Benson gave a verbal update:</p> <p>1. Following the ONS reclassification the Financial Statements will have some text changes relating to managing public money.</p> <p>2. Last year many colleges moved from having a deficit with their Local Government Pension Scheme to having a surplus. GC moved to a small liability; it may change to an asset this year.</p> <p>Audit firms have contacted ESFA for guidance as to whether any pension asset should be recognised. The ESFA replied saying they could not provide guidance. The Financial Reporting Council and the Institute of Chartered Accountants have also not provided guidance. Therefore, different accounting firms will have different views. Murray Smith will recognise any assets.</p> <p>RKI asked if it's a contingent asset. Mike said their view is because there may be a refund or reduced contributions in the future it is an asset not a contingent asset.</p> <p>RKI asked what LA's and government departments do, Mike said they are going through a review and the outcome will probably not be known before Christmas. Mike said their recommendations will be followed.</p> <p>RKI asked if there are any extra disclosure requirements on this year's accounts. Mike said there is a slightly changed regularity self-assessment for GC to complete and the audit work checks there are no issues in these areas.</p> <p>In response to SIR's question, Mike said the asset is recorded on the balance sheet in the same place it appears</p>	

	when it's a liability. SIR asked if these are significant sums, Mike said previously the GC liability was £5 million which reduced to £700,000 last year, the reality is that how it's recorded shouldn't make any difference to anyone reading the accounts.	
<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 13 Nov 5pm, initially jointly with Finance & Estates Committee at 5pm	All: note

**Minutes prepared by Sharon Roper (Clerk to the Corporation) on 15/9/23**

**Approved & signed by, Stuart Irving, Chair dated 13/11/23**