**The Corporation of Newham Sixth Form College**

**Audit & Risk Committee**

**Minutes of the Meeting held on 17 March 2021**

**Members**

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| Jay Nair (Chair) | Independent Member | Present |
| Sohidul Hoque | Independent Member | Present |
| Kofo Ladele | Independent Member | Absent – work commitments |
| Julianne Marriott | Independent Member | Present |

**Non-Members invited to attend**

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| Michael Gainlall | Vice Principal Finance & Operations | Present |
| Mandeep Gill | Principal & Chief Executive | Present |
| Paul Goddard | Scrutton Bland | Present |
| Robin Jones | Clerk to the Corporation | Present |
| Leisyen Keane | Scrutton Bland | Present |

**1** **APOLOGIES FOR ABSENCE**

The Committee noted that Kofo Ladele was not present on this occasion although she was expected to attend the meeting.

At the close of the meeting apologies for absence were received from Kofo Ladele who advised that she had been delayed due to an urgent business matter.

**2 DECLARATION OF INTERESTS**

The Members and others present confirmed that there were no declarations of interest to be recorded on this occasion.

For complete transparency Paul Goddard reported that Scrutton Bland acted as Auditors for London South London Colleges where Kofo Ladele was employed in a senior finance position and, as such, there was professional contact between her and representatives of Scrutton Bland.

**3 WELCOME AND INTRODUCTIONS**

The Chair welcomed the representatives of Scrutton Bland to their first meeting of the Committee following the appointment of the firm to act as Internal Auditors.

All those present then introduced themselves.

**4 MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 25 NOVEMBER 2020**

The Minutes of the meeting of the Audit & Risk Committee held on 25 November 2020 were agreed to be a correct record.

**5 MATTERS ARISING FROM THE MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 25 NOVEMBER 2020**

The Committee agreed that there were no matters arising from the Minutes of the last meeting which required attention at this time.

**6 MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 10 DECEMBER 2020**

The public section of the Minutes of the meeting of the Audit & Risk Committee held on 10 December 2020 were agreed to be a correct record.

Consideration of the confidential section of the Minutes was deferred until later in the meeting.

**7 MATTERS ARISING FROM THE MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 10 DECEMBER 2020**

The Committee agreed that there were no matters arising from the Minutes of the last meeting which required attention at this time other than to note that the Corporation had approved the recommendation to appoint Scrutton Bland as Internal Auditors.

**8 REVIEW OF THE PERFORMANCE OF THE AUDIT & RISK COMMITTEE – 2019/20**

The Clerk presented the summary of the review of the Audit & Risk Committee for the year 2019/20 based on feedback from Members and the Principal & Chief Executive.

The Committee agreed following discussion:

1. To note the summary of the review of the Audit & Risk Committee for 2019/20 which was thought to be an accurate statement of the positives and aspects to be addressed
2. To request the Corporation to consider on 31 March 2021 the appointment of an additional Member to serve on the Committee to add to the range of skills and interest whilst assisting to meet the quorum requirements for meetings
3. To note that the Clerk had provided Members of the Corporation with access to the governance related training and development modules of the Education & Training Foundation (ETF) and one covered the Audit Committee which would be of interest to the Members of this Committee

**9 REVIEW OF THE PERFORMANCE OF THE FINANCIAL STATEMENTS AUDITORS**

The Clerk presented the summary of the review of the Financial Statements Auditors for the year 2019/20 based on feedback from Members and the Principal & Chief Executive.

It was recalled that at the meeting of the Committee on 25 November 2020 it had been agreed to recommend to the Corporation that Buzzacott be re-appointed as the Financial Statements Auditors for the year 2020/21.

The Committee agreed to receive and note the summary of the review of the Financial Statements Auditors for 2019/20 without further comment.

**10 RISK REGISTER**

The Committee received and discussed the report of the Vice Principal Finance & Operations and the updated Risk Register.

The Risk Register was comprehensive and summarised the issues, the mitigating actions to reduce the risks, progress made and the calculated scores.

In the main the level of risks were reduced as a result of the mitigating actions. In the case of High Needs funding the level of risk remained high and for Estates & Resources the assessed risk was the same as the inherent risk.

It was explained that only one of the 14 risks showed an increase from the last report to the Committee in November 2020 – this concerned staff costs. The increase in risk was due to the current need to make use of agency workers which can cost between 30 and 35% more than the equivalent establishment staff member. To help reduce costs the College had now engaged Morgan Hunt as the preferred supplier of agency workers. A related factor was that if someone moves from an agency worker engagement to becoming a member of staff following a full recruitment process an introduction fee is payable to the agency.

A Member asked about the possible recruitment of schools staff to join the College but it was explained that this was rare given the better terms of employment and salary levels in schools relative to colleges.

The representative of Scrutton Bland shared his experience of the approach to risk seen in other colleges where increasingly he was noting as specific risk areas (1) student and staff wellbeing and (2) IT infrastructure and not solely cyber crime. These would now be considered by the SLT for possible inclusion in the NewVIc Risk Register.

The Committee agreed:

1. To receive and note the updated Risk Register
2. To look forward to receiving further updates at future meetings of the Committee.

**11 INTERNAL AUDIT – REVIEW OF 2019/20**

The Committee received the report of the SLT and the associated report prepared by Scrutton Bland setting out the areas to be addressed by the Internal Auditors subject to the approval of the Committee and the Corporation.

It was recognised that 2020/21 was not a typical year for determining and carrying out the Internal Audit reviews. Not only are all concerned affected by the Covid-19 pandemic but also the reviews are starting much later than would normally be the case due to the appointment timetable of events with Scrutton Bland only taking up the role of Internal Auditors as from January 2021.

The Committee discussed at some length the range of areas which could be reviewed in the current year and beyond and in doing so Members recalled that the engagement of the Internal Auditors was for 20 days a year.

Health & Safety and if the College buildings were all fit for purpose was thought to be an appropriate area for review but in 2021/22 or later although aspects may be covered indirectly via other reviews.

Members were also interested in having a review of the arrangements to prevent fraud and whilst aspects may be picked up via the planned review of cyber security it was thought that this should wait until a future year.

The Committee agreed to recommend to the Corporation on 31 March 2021 that the following reviews be carried out in the current year:

* Covid-19
* IT infrastructure which would also cover cyber security
* Safeguarding
* T Levels preparation
* Follow up on previous Internal Audit reviews

It was recognised that it may be possible to conduct at least some of the reviews on the College site and not all remotely.

The Committee asked that, if possible, the proposed Covid-19 Review should cover Health & Safety related issues including any impact on processes and controls on the physical and mental wellbeing of staff and students.

Furthermore, whilst strictly speaking the current year ended on 31 July 2021, it may be appropriate to progress aspects of the proposed reviews in August so as to complete the work including the preparation of the formal reports.

Finally, the Committee agreed to look forward to receiving:

1. the reports of the Internal Auditors at future meetings following completion of the specific reviews approved by the Corporation on 31 March 2021
2. the proposed Internal Audit Plan for 2021/22 and beyond at the meeting on 23 June 2021

**12 CALENDAR OF MEETINGS**

The Committee noted the calendar of meetings for the remainder of 2020/21:

* Wednesday 23 June 2021

The start time of the meeting in June 2021 would be confirmed nearer the time but if online would be at 5.30 pm or possibly 5.45 pm to aid the attendance of Members.

Members recognised that additional meetings of the Committee could be arranged if there was urgent business to consider which could not wait until the next scheduled meeting.

*Note: At this time Paul Goddard and Leisyen Keane left the meeting*

**13 CONFIDENTIAL ITEM OF BUSINESS**

The Committee considered one item of confidential business as set out below.

**14 CONFIDENTIAL MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 10 DECEMBER 2021**

The Committee agreed that the confidential Minutes of the meeting of the Audit & Risk Committee held on 10 December 2020 was a correct record other than the spelling of Scrutton Bland in one place which would be corrected for future reference.

Chair: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_