Barnet and Southgate College Corporation
Audit & Risk Committee meeting
held on Tuesday 6th February 2024
At 18:00 via Microsoft Teams

Attendees:	Diane Moore, Chair Thomas Streater Alex Middleton Adam Morley
In attendance:	Maxine Bagshaw, Director of Governance and Corporation Secretary Hiten Savla, Director of Finance Paul Goddard, Internal Auditors James Russel, Interim Project Director Lawrence ..., Management Accountant

The meeting opened at 18:00 and was quorate with all members present

Item	Description	Action
1	**Preliminary items** **1) Apologies for absence** Apologies for absence were received from Neil Coker, Interim CEO. Chair provided an update in relation to Rouzbeh Faramarzian and explained that, following promotion and increased work responsibilities, he has made the decision to resign, although he is very welcome to return if his circumstances allow. Adam Morley was welcomed to his first meeting as a committee member. **2) Confirmation of eligibility, quorum and declarations of interest** It was confirmed that the meeting was quorate with all committee members present. There were no declarations of interest made. **3) Requests for matters of urgent business** It was confirmed that no requests for matters of urgent business had been identified in advance of the meeting. Chair acknowledged that this would be the last Audit and Risk Committee meeting for the Director of Finance, and he was congratulated on his new appointment. Lawrence ..., a	

	management accountant with the college was introduced. It was agreed that his attendance was an opportunity for him to experience the work of this committee.	
2	**Minutes** 1) Minutes of the meeting held on 21st November 2023 The minutes were reviewed, and it was agreed that they were an accurate record of discussions. AGREED: to approve the minutes of the meeting held on 21st November 2023. 2) Minutes of the joint meeting with the Finance Committee on 4th December 2023 Committee were content to note the minutes as presented and agreed that they reflected an accurate summary of discussions. It was acknowledged that the joint meeting takes place once per year with a focus on the yearend audit and financial accounts and therefore the next planned joint meeting would be in November/December 2024. 3) Matters arising and outstanding actions Committee were happy to note the content of the progress update provided.	
3	**Business continuity update** Interim Project Director presented this item and confirmed that a review of the proposed plan has taken place by ELT. This is being introduced given the previous lack of a published Business Continuity Plan (BCP). This document combines both the Disaster and Business Recovery Plans previously in place. It provides information but also an action plan which is the important aspect for ELT. In terms of practicalities, the intention is for a number of hard copies to be printed, with the business continuity group having copies at home as will ELT, security staff, first aiders etc. Committee were advised that the next stage is to 'stress test' the plans. These will tie in with cyber security and site testing e.g. fire alarms. It will allow the senior team to monitor responses and identify where any improvements can be made. Fire risk assessments are planned to start next week, and these will then contribute to action plans to be created. It was explained that there have been several unplanned fire evacuation tests and also lockdown 'testing' is to be planned, although this will have to be done sensitively and the intention is to take staff and student feedback before these commence. One governor noted reference to a 'terrorist' incident and asked whether the response planned applies to all sites. It was confirmed that it does. Interim Project Director expressed the view that	

	lockdown testing could be as challenging as rewarding, and that it is important to have independent observers as well as specialist input when planning these so that there is a really structured approach. One governor asked whether other colleges have completed lockdown testing. Committee were advised that it seems to be on a department-by-department basis rather than a whole college approach and that the suggestion for BSC is to also proceed on a department focused approach initially. Suggestion from the committee was to test on a 'likelihood basis' e.g. a cyber-attack is more likely than a terrorist attack. Governors suggested that college also consider a test in relation to utilities e.g. what would happen if there was a significant power outage. All agreed that there were several scenarios to play out and test and it was acknowledged that the four campuses are very different. One governor present indicated that GLA have completed some focus work and testing specifically in relation to knife crime and potential acts of terrorism. In relation to the latter, there is currently an increased risk because of the Middle East. With a specifically increased risk in Barnet given the population demographic. Challenge from the committee was for the college to really look at knife crime risks and how to respond to these. Suggestion from the committee was to consider what incidents would lead to either: a) An evacuation, or b) A lockdown. Recommendation from the committee was to test responses first with the ELT i.e. what would they do and what do they know? Suggestion was to approach from a 'in the room' perspective and then take wider, depending on the outcome. Committee observed that sequencing is usually the most significant challenge and that staff need to experience situations before there is confidence regarding the tree of cascade. Challenge from the committee was to better understand the practical levels and test these at different campuses before undertaking large scale 'mockdowns'. One governor noted the reference to 'whole centre backup' and suggested that this should be set up in advance so that there is clarity in terms of which campus to defer to. All agreed that it was important to address now anything that would save a question later down the line. Committee acknowledged that a lot of what is planned and being discussed is a variation on fire drills that already take place and therefore these are a first line learning opportunity. Challenge from governors, following their individual experiences of security staff today when entering the building, was to ensure that they need to have a consistent approach. Committee asked whether there are any systems in place to respond to a London transport closure situation. Staff confirmed that there are and that it includes communication to staff and students and online delivery being the back up. All agreed that remote working, as part of the pandemic, has really helped colleges to be ready for this situation.	

	Committees' suggestion was to look at the 'top three actions' and associated telephone numbers to be aware of. These could potentially be in a laminated document, however committee acknowledged that there needs to be GDPR considerations. Challenge from the committee was to use fire drills as a scaffold for serious incident drills, particularly in relation to those who may have a disability. Request from the committee was to carefully consider the LLDD provision and whether or not coded language is required. Staff confirmed that fire risk assessments will look at refuge points and will also consider the sequencing of return to the buildings. One governor noted the reference to 'data access' and the fact that there are two primary data centres which back up each other and they asked whether there is also cloud based back up. Staff advised that on a worst-case scenario, if the colleges system went down, then the cloud could be used for teams, email, sharepoint etc. but that the vast majority of data is held on-site e.g. EBS, MIS etc. This is not yet backed up on to the cloud and remains on a server, however a complete move to the cloud is part of the action roadmap for IT services. It was confirmed that the two data centres back up each other and are at different locations. Chair expressed the view that the profile of IT/data/digital/cyber would benefit from having more visibility with governors and therefore it was agreed to invite Costas Calcanas to the next meeting to present on priorities, activities, investment etc. The intention then is to provide governors with the 'big picture' in terms of the IT roadmap with a view to a better understanding of challenges, opportunities and timescales (Head of IT, April 2024). AGREED: to a) Note the content of the update provided, and b) Recommend that the board approve the Business Continuity Plan.	
4	**Internal audit reports 2023/24** 1) Progress against the plan for the year Internal auditors confirmed that there was one report available for consideration today. One other report has been drafted and the college is currently working through this so that management can then respond. Auditors highlighted the agreed change to the plan for the year, this is that the safeguarding audit will not take place, given that an external review on this is planned and the proposal is to replace the time allocated with an audit in relation to apprenticeship development. Committee were happy to support the change proposed. Committee Chair asked what the apprenticeship development audit would look at? Auditors indicated that it would cover a number of aspects, including: • Employer engagement • CRM/sales team	

	• Pipeline • Engagement with apprentices • Clarity of assessors • Caseloads • Turn around time from engagement to enrolment • Systems used Staff advised that BSC primarily deliver apprenticeship provision outside of the area and that there is a need to assess whether this is the right model. College needs to consider whether different development is required. Director of Finance indicated that there is also a need to look at the financial contribution and specifically current failure to hit anticipated budget. Committee agreed that a review needs to be a priority, with the plans then put in place being realistic. Staff expressed a view that a real consideration is whether the onboarding process is right or could be improved. It was noted that at both the recent QTSE and Finance Committee meetings they had also discussed apprenticeship provision and therefore it would be very timely to undertake the audit. Challenge from the committee was that they would be interested to see the colleges position in relation to: • Marketing • Outreach • Employer engagement One governor expressed the view that there are likely to be significant changes imminent and one example given was the introduction of a 16-week apprenticeship through the BFI. Challenge from the committee was to identify, with good intelligence, the right partnerships with BSC needing a USP so that the offer is differentiated. Committee considered the schedule of planned audits for the year and questioned deliverability. Auditors confirmed that they can be delivered to plan if the timescales proposed remain unchanged. Challenge from the committee was that the timetable is critical. College needs to audit what is 'happening on the ground' and as much advanced notice as possible should be provided to staff who will be required to participate, with no-one having an excuse for delay. It was agreed that any changes to the dates presented to this meeting would be shared with the committee chair. Committee urged internal auditors to flag if there is a need to change the timings currently agreed. Challenge from the committee was for ELT representatives to really sponsor and champion the planned audits. AGREED: to note the content of the update provided. 2) Student satisfaction Internal auditors presented the report and key matters highlighted were: • Good overall outcomes in terms of student responses, for both HE and FE	

	• In relation to complaints management, the college is potentially 'shooting itself in the foot' on occasions in relation to admin i.e. tracking and transparency. • There was quite a low response rate seen in the surveys and college should consider whether it undertakes too many surveys and whether there are incentives which can be offered to increase the response rates. • There is a piece of communications work to be considered by student services • Action plans need to be harmonised • A smooth audit completed Committee asked whether staff are provided with feedback at the end of the audit process. It was confirmed that they are and that this involves a two-way conversation regarding any issues identified and recommendations made. Observation from the Chair was that the comments made regarding communication link in closely with the view formulated during student governor interviews that there is a lack of clarity in terms of communication routes. One governor referred to 'the complaints log not reflecting all actions correctly' and they noted a medium RAG rating. They asked whether this is because of the nature of the complaints. Auditors indicated that rating it as a red risk would have been 'over the top' but a low risk would have 'underplaying' the situation which is why amber felt right. Key issue here is potential reputational impact. Committee noted that some complaints were 'not responded to within the 15 days required' and they asked whether this is an internal deadline? It was confirmed that it is and that it is not based upon any statutory or regulatory requirement. Observation from the committee was, often the learner/client just needs to feel heard and that it is important that the college takes a 'nothing is trivial approach' with the learner always coming first. AGREED: to note the content of the update provided.	
5	**Audit actions tracker – progress update** Director of finance presented his report and key matters highlighted were: • In relation to 2021/22 and prior years, there are 3 actions not yet implemented however these do have a longer timeline for completion. They mainly relate to business continuity planning which is now underway and previously discussed. • In relation to 2022/23, there were 7 audits which led to 28 actions. There is only one action remaining which is in fact a continuous ongoing process which relates to health and safety training i.e. anyone new who joins the organisation needs to complete the training, which means it is a continuous process. It was described as a 'business as	

	usual', position with the college working to maintain completed training. • All external audit recommendations have been concluded • Contract register is now updated • All subcontracting recommendations have been actioned • In relation to the JISC report, all priority actions have been implemented • All internal audit actions will be checked for completion when auditors undertake their follow up review • Actions following each completed planned audit will be added to the tracker, including: - Safeguarding audit planned, and. - External governance review actions once agreed by the board at the February meeting Committee asked what the outstanding actions relate to which are prior to 2021/22. Director of Finance indicated that they all relate to cyber security which are now linked in to the JISC report. Challenge from the committee was to ensure that there is clarity regarding who will take charge of the tracker once the Director of Finance leaves employment at Easter. AGREED: to note the content of the update provided.	
6	**Risk Management** Director of Finance presented this item and key matters highlighted were: • ELT was able to discuss the register this morning and particularly the movements, • In the risk register presented for consideration today there are the same 11 risks with 1 being suspended • Additional potential risk discussed at ELT was the SLT/ELT changes however it was decided not to add it given that permanent plans are well progressed with a clear timeline in place. Committee acknowledged this was the case but indicated it is important to consider potential impact in relation to staff morale, student impact etc that changes may have. Committee acknowledged that risks in relation to this has been mitigated/diminished to a certain extent because of the interim appointments in place. • There are four changes to the risks, with one increasing and three decreasing • The risk that has increased relates to 'sustaining high quality student experience' - this is something that can impact on reputation. When attendance drops this can impact on achievement. - The increased risk quantification is to ensure that it remains a focus. - The pre and post-Christmas attendance dip was flagged to committee. Challenge from governors was what more the college can do to stop the decline? • Risk 3 in relation to the budget has reduced. It is highly unlikely that the college will breach any covenants.	

	Similarly, there is a lack of concern regarding the potential for fraud given the very tight processes in place. • Risk in relation to ICT failure has also reduced given that the college is now working to incorporate the JISC recommendations. One governor asked whether, in relation to attendance, there are regional and national comparisons with the aim being for BSC to be the 'least worst'. It was confirmed that there are and that these are regularly shared with the QTSE Committee. In relation to the departure of the Director of Finance, committee asked whether the organisation has started to map the transfer of responsibilities and sharing information needed. Director of Finance highlighted several aspects, including: • Information is regularly shared between the team with clarity in terms of operational activities, • There is good delegation already in place, • Intention is to bring in an interim who can work alongside the Director of Finance before he leaves, this will ensure good handover, • All information is shared centrally, • Confidence that the team know where to challenge, • Close links with Tracey McIntosh when setting the budget and curriculum planning, • A well-established team, • No concerns regarding service interruption. In relation to bank covenants and dialogue with the bank, committee asked whether someone will step in to this relationship. It was confirmed that there is a plan in place in relation to this. Committee noted that the 'major ICT failure' risk has been downgraded because of the JISC actions being implemented but noted that their suggestion of more automated checks is not to be fully progressed and they asked whether the organisation is confident that not doing this is acceptable. Committee were given assurance that manual checks are undertaken but that moving to full automation will take time and investment. Committee agreed that this was something that they would wish to discuss further with Costas Calcanas when he attends the next meeting. They would like to hear his perspective in terms of investment options and which are desirable, essential etc. Director of Finance indicated that, whilst the finance risk has reduced on this version of the register, it may increase again but gave assurance that the budget was not at risk. Challenge from the committee was that it is important to ensure carefully thought-out investment within plans being developed and implemented. AGREED: to note the content of the update provided.	
7	**Value For Money Annual Report**	

	Director of Finance confirmed that the report explains the VFM processes and assessments. This provides a regular view on what needs to be considered. Director of Finance indicated that, currently there are very limited actions that the college can take should a member of staff breach the financial regulations, and that HR are looking to address this. Committee, while content to note the content of the report, did accept the acknowledgement that the college could do better. In relation to procurement activities, committee asked whether the recommendation is to employ a permanent person within the organisation or continue to rely on Tenet. Director of Finance indicated that, the costs now being incurred with Tenet would be equivalent to a permanent employee and therefore it is something to consider. Recommendation now is continue with Tenet given a number of tenders which need to be completed shortly, but then review the position. AGREED: to note the content of the update provided.	
8	**MPM Monitoring Report 2023/24** Key matters highlighted were: • Three requests for permission in 2022/23, two of which were approved and one was rejected. The latter was reported in the annual accounts. • There are twos aspects requiring permission in 2023/24. The first relate to the CEO's departure and the second is debt write off. Finance Director reminded of the nature of commercial debt with Enfield Borough i.e. it relating to SEND costs. He confirmed that all current payments are up to date and that it is the historic debt to be written off. AGREED: to note the content of the update provided.	
9	**Fraud, Irregularity and Whistleblowing** Finance Director confirmed that there was nothing to report. Committee, whilst pleased to hear that, did agree that a future meeting may be appropriate to consider further whether there is confidence that the college has a 'speak up' culture. AGREED: to note the content of the update provided.	
10	**ICO reportable incidents 2023/24** Committee were advised that there have been four incidents reported, each of which being an isolated matter. There have been no actions required following the reports made. AGREED: to note the content of the update provided.	
11	**Review of Committee Terms of Reference**	

	Chair advised that she and the Director of Governance had taken the opportunity to slightly refresh the wording. Specifically highlighted was that Health and Safety oversight has been added to the committee remit. Suggestion from internal auditors was to consider a new line which refers to the committee's role in ensuring compliance with the new College Handbook which is due this year, this will in principle replace the Audit Code of Practice. Director of Governance confirmed that she would add a line to the document before submitting to board for approval on the 19th February (Director of Governance, February 2024). AGREED: to recommend that the board approve amended committee terms of reference.	
12	**Date and time of forthcoming meetings** It was agreed that the next meeting on 23rd April 2024 would be entirely on Teams. Request from the Chair was to schedule the July 2024 meeting in person, but acknowledging that there would be an option to join in Teams if on site attendance was not possible for any member of the committee. (Internal auditors left the meeting at 7.50pm).	
13	**CONFIDENTIAL ITEM – review of external auditor performance 2022/23** Key observations made were: • A very smooth audit again, • No major issues identified, • Probably the smoothest audit so far, • College and auditors were able to agree all of the numbers to time and to plan, • They present and take questions well, • The reports are readable. Committee then asked where in the cycle of their contract the college is. Finance Director confirmed that 2023/24 will be their last year and that the organisation is just about to start the process for tendering beyond that. Expectation is that there will be 4 or 5 companies who submit a tender. Committee asked that an update on the timeline and the plan for this be provided at the next meeting (Interim Director of Finance, April 2024). Meeting closed at 7.55pm.	