Minutes of the Audit Committee meeting

held on Friday 15h March 2024 at 8.00 am By Microsoft Teams

Birmingham Metropolitan College

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| **Present** | **Apologies** |
| Helen Miles (HM) |  |
| Sharon Isaacs (SI) |  |
| Alaric Rae (AR) |  |
| Lorain Morrison (LM) |  |
| **In attendance** |  |
| Sir Dexter Hutt (DH) |  |
| Pat Carvalho (PC) |  |
| Stephen Belling (SB) |  |
| Fiona Yardley (FY) |  |
| Anna Jackson (AJ) |  |
| Andrew Crowter (AC) Agenda Item 2 |  |
| Susan Toy (ST) Agenda Item 3 |  |
| Louise Tweedie (LT) RSM |  |
| Stuart McKay (SM) MHA |  |

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| **Ref** | **Agenda Item** |
|  | **Apologies** |
|  | No apologies were received.  HM welcomed LM, a newly appointed Governor to the Committee. |
|  | **No Declarations of Interest** |
|  | It was noted that SI had declared that Learning Curve had been appointed as subcontractor at her place of employment, Nottingham College.  No other declarations were received in addition to those recorded in the Register of Interests. |
| 1 (i) | **Minutes of Audit Committee** |
|  | The minutes of the meeting held on 28th November 2023 were reviewed.  **IT WAS RESOLVED THAT:**  **AC23/24:09**  **the minutes of the meeting held on 28th November 2023 be approved.** |
| l(ii) | **Action Log** |
|  | It was noted that all points on the Action Log had been progressed and that there were no matters arising. |
| 2 (i) | **Autumn Term Health and Safety Report** |
|  | AC presented the Health and Safety report in the committee pack and emphasised the following:   * The Health and Safety Manager had undertaken a course enabling the college to delivery First   Aid training in house. |

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|  | * Fire safety training had been delivered. * The Health and Safety Committee continued to be attended well with good representation across the college. * Training was being provided on the requirements needed to report requests for First Aid Health. * No Riddor incidents had been reported.   **Governors' Questions and Observations**  ***l. Have there been any incidents in relation to the misuse of Paracetamol following trends noted on Tic Toe Trend? {HM)***  AC advised that no incidents regarding misuse of paracetamol had been experienced in the college.  IT **WAS RESOLVED THAT AC23/24: 10**  **The content of the Autumn Health and Safety Report be noted.** |
| 2 (ii) | **Health and Safety Policy** |
|  | AC advised that the Health and Safety Policy been subjected to a comprehensive review and consultation exercise in accordance with the policy review time table.  The proposed updated policy provided enhanced clarity on the college's legal requirements, introduced tighter systems for performance review and learning integration and revised procedures for reporting and addressing hazardous conditions.  **Governors' Questions and Observations**  1. It would be helpful to include in the policy that the Deputy Principal would support the Principal in the execution of their health and safety responsibilities. (AR)  **IT WAS RESOLVED THAT AC23/24: 11**  **The Policy be amended to state the Deputy Principal would support the Principal in the execution of their health and safety responsibilities.**  **AC23/24: 12**  **The revised Health and Safety Policy be approved.** |
| **2(iii)** | **Crises Management Update** |
|  | AC introduced the Crises Management Update Report provided in the Committee pack and explained what approach had been developed for the Senior Leadership team to review and consider crises scenarios, capture lessons and integrate them into crises management operational frameworks.  **Governors' Questions and Observations**  ***l. How is the college assured that college processes work in practice? {DH}*** |

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|  | AC advised that confidence in the processes documented has been derived from the college's experiences of deploying them in practice including adjustments made in response to Covid including the need to create on line alternative provision and reactions to incidents of flooding.   1. ***Has the college had to respond to any sudden needs to clear a college site? (DH)***   PC referred to the fire testing exercises undertaken on all sites on a regular basis.   1. It would be helpful to include reports on the outcomes of tests and real life incidents in future health and safety reports. (AR) 2. It would be good to add to the risk register the potential impact of a critical supplier not being able to continue with the provision of services to the college. 3. ***Does the college have a process for handling protests? (HM)***   PC confirmed that the college does have an agreed approach in place for responding to protests.  **IT WAS RESOLVED THAT AC23/24: 13**  **The content of the Crises Management Update be noted.**  **AC23/24: 13**  **The loss of a critical supplier risk be added to the risk register.**  **AC23/24: 14**  **Details of incidents and scenario testing be included in future health and safety reports.** |
| **3** | **Contract Compliance Report** |
|  | SB introduced the Contract Compliance Report proved with the Committee Pack and noted the key issues identified during the recent round of compliance testing and actions being taken to address them.  ST gave a presentation explaining the assessment process undertaken by the Quality Team in relation to the performance of subcontractors and setting of RAG ratings and : -   * The four different deliver types requiring assessment:   1. Enrichment/ coaching on and off site.   2. Apprenticeship provision - where BMet is the primary provider.   3. Distance learning   4. Sector Based Work Academies with learners being on site with employers and placements. * The risk matrix and questions used to inform due diligence assessments prior to a subcontractor commencing provision. * The methods used for assessing quality during :   1. Student voice   2. Learning walks   3. Ad hoc methods required as determined necessary during delivery. * The points of escalation to process any point of concern:   1. Vice Principal for Quality |

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| **Ref** | **Agenda Item** |
|  | 1. Compliance Officer 2. Company Secretary   **Governors' Questions and Observations**   1. ***Are the KPl's common to all contracts? (AR)***   SB advised that KPls are bespoke for each contractor.   1. It would be helpful to have a greater understanding of what KPl's have been set to identify which require critical observation by Committee (AR) 2. ***What is the impact of a KP/ not being met {AR)?***   SB advised that contract managers meet with subcontractors to review performance on a termly basis. Action plans are developed to take account of issues arising to ensure those issues are managed appropriately which if necessary, can include triggering the termination of a contract.  Experiences of the year are factored into the business planning process and inform whether to contract for a further year if that is in line with the college's procurement policy and what KPls should be set for the following year.   1. ***Is the quality of outcomes a part of the review process? DH***   **SB confirmed that outcomes are a KPI and considered as part of review process IT WAS RESOLVED THAT:**  **AC23/24: 15**  **The content of the Contract Compliance Report be noted.** |
| **4** | **Internal Audit** |
|  | LT introduced the internal audit reports provided in the Committee pack and made the following key points:  ***In respect of FE Sector Benchmarking Report:***   * BMet performed slightly better than average. * High Priority points raised in the report are designed to invite colleges to consider that they have been adequately addressed.   ***In respect of the Health and Safety Report***   * The audit has focussed on the key areas of polices, training, risk assessment processes, implementation and reporting. * Governors could take a green level of assurance. * Significant points of good practice were to be noted. |

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|  | ***In respect of the Learner Numbers Report***   * The key focus had been on matters relating to apprenticeship provision which is the most complex funding area in the FE sector. * The list of management actions is similar to that raised with other colleges and arises because of the frequent changes to funding rules requirements.   RJ advised that some action points were to address issues arising because of the change of IT systems and changes that occurred to apprenticeship contract which spanned a four-year period.  FY advised that the management team had developed a comprehensive plan to address issues raised in the report and would be providing an update on progress to the Committee's meeting on 21st June 2024  ***In relation* to *the HE Framework Report***   * The overall report had been positive.   SB confirmed that the:   * + college had adopted and operated in accordance with the Association of College's Code of Governance which was acknowledged in the college's annual accounts and reports but, formal historic records of it having been adopted had not been found.   + Governors had reviewed the new AoC Code of Governance at their last Strategy Day and would be undertaken an assessment of its performance in relation to the new code in the summer term.   **Governors' Observations and Questions**   1. ***Is there anything that has befactored into considerations arising from Birmingham City Councirs financial difficulties? (HM}***   PC advised that the most significant impact anticipated at this point related to the potential impact of travel costs for learners. The college is working with other colleges and liaising with the Council to review the concerns and considering what mitigations may need to be put in place such as adapting the Bursary Policy where required.   1. The proposal to provide an update in June regarding the implementation of management actions arising from the Learner Numbers Report will enable the Committee to assess what further action might be needed. (HM)   **IT WAS RESOLVED THAT:**  **AC23/24: 16**  **The content of the internal audit reports relating to Learner Records, Health and Safety, Higher Education, General Progress and Annual Bench Marking be noted** . |
| **s** | **Risk Register and Assurance Map** |
|  | FY advised. Key points to be noted were: -   * The addition of risks relating the proposals for a new Inclusive sports Centre and Cyber threats. |

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|  | * The status of risks relating to curriculum planning has been retained to take account of increased competition. * Considerable focus is being placed on monitoring:   + levels of adult provision and its impact on financial status as "Good".   + Performance of partner colleges involved in the delivery of projects using Local Skills and Innovation Funding.   + the level of applications and impact on future income streams.   **IT WAS RESOLVED THAT:**  **AC23/24:17**  **The content of the March Risk Register Report be noted.** |
| **6** | **Fraud and Theft Policy** |
|  | FY presented the proposed updated Fraud and Theft Policy and further plan to include links to the college's misconduct procedures and include amendments to the college registers as an example of fraudulent activity.  **IT WAS RESOLVED AC23/24:18**  The updated Fraud and Theft Policy be commended to Corporation for approval. |
| **7(i}** | **IT Estate Deep Dive** |
|  | RJ gave a presentation to committee covering:   * The context of the speed of change * Historic development of the IT estate and associated budgets. * Current status, and * Development plans.   **Governors' Observations and Questions**   1. ***Is the current direction of travel sufficient ? (HM)***   RJ advised the current direction of travel was sufficient within the context of college finances but would need constant monitoring. Key to managing the current situation is:   * + The ability to explore solutions to address issues as they arise.   + Guarding against cheap short-term solutions that end up incurring more management support costs and do not generate longer term financial efficiency.   + Retaining staff. BMet's apprenticeship programme has been instrumental in developing in house talent and creating stability.   2. It is important that an evergreen approach is taken in relation to the maintenance of core systems such as HR, Finance, and Student records (AR) |
| **7 (ii)** | **Cyber Security Deep Dive** |
|  | RJ gave a presentation to committee covering:   * How cyber security has been integral to infrastructure planning. * JISC had facilitated a major scenario planning exercise for the Senior Management Team. |

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|  | * Current status of systems and testing processes. * Position statement on insurance. * Current assessment of adequacy of measures   Governors noted the contents of the presentation and how it would assist with monitoring future reports and maintaining an oversight of the associated risk management practices. |
| **8** | **Any other Business** |
|  | Committee noted the receipt and content of the MHA digest provided by SM. There being no other business, the meeting concluded at 11.00 am |

