

**BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE**

**MEETING OF THE AUDIT COMMITTEE HELD ON**

**THURSDAY 11<sup>TH</sup> MARCH 2021**

**AT 6.00 P.M. VIRTUAL MEETING VIA M. TEAMS**

Present: Mohammed Ahmed, Phil Anderson, Sarah Bovill, Jo Davis, Neil Perry, Simon Porges.

In Attendance: William Baldwin, Jutta Knapp and Louise Pennington

*NOTE: FOR EASE OF REFERENCE QUESTIONS AND COMMENTS FROM GOVERNORS HAVE BEEN INCLUDED IN BOLD ITALICS*

**SECTION 1: ROUTINE AND STANDING ITEMS**

**1.1 Apologies and Welcomes**

Apologies: None

Welcomes: Simon Porges (Parent Governor)

The meeting was quorate.

**1.2 Minutes of the Meeting held on 25<sup>th</sup> November 2020**

The minutes of the last meeting were agreed and signed as a correct record of the meeting.

**1.3 Matters Arising**

**a) Actions' Schedule**

The contents of the actions' schedule were noted by the Committee, taking into account those items which had been completed and those which were being carried forward or due to be completed later in the year.

**b) Matters Arising from Q & C – Single Central Record Audit**

Neil Perry (Interim Designated Lead Safeguarding Governor) raised the matter of whether independent checking of the Single Central record (SCR) should be carried out in order to provide appropriate assurance to Governors. In his view, he suggested that this shouldn't be a task to be carried out by Governors but it was also noted that Lynn O'Meara the previous Governor Lead, had met with HR to gain assurance regarding the accuracy and completeness Single Central Record and to understand and be satisfied with the checks on the SCR carried out by HR.

The Committee discussed the matter and it was agreed that Jutta Knapp should ask the new Internal Auditors, once appointed (refer below) to provide a quote for reviewing the processes involved but that regarding the point on checking the accuracy and completeness, this should be brought to the attention of the new Designated Lead Safeguarding Governor (Andrew Wright, due to be appointed at Corporation on 31<sup>st</sup> March 2021) to discuss this with Neil Perry and resolve the best way forward. A decision regarding the Internal Auditors' involvement would then be made taking into account the overall scope of the internal audit work for the year. Reference was also made to the HR presentation made at the Resources Committee held on Tuesday 9<sup>th</sup> March which included HR's current plans to review and check that the SCR is up to date and complete. **ACTION: Jutta Knapp/Neil Perry/Andrew Wright**

**1.4 Declarations of Interest**

None.

**1.5 Covid-19 Update**

William Baldwin gave his update to Governors, noting that updates had been given to all Corporation Committees and the following was recorded:

## COVID TESTING

- Staff and Students have returned on site with effect from Monday 8<sup>th</sup> March for Covid testing purposes only and Teaching due to start tomorrow.
- Testing has taken place across 3 venues on site, with over 26 bays and 30 Students have been invited in every 5 minutes, with the aim of ensuring that Students have a negative test prior to returning to lessons.
- The test uptake has been very good at 85%, with 2,647 tests taken (out of a possible 3091) with 6 void tests and 1 positive test reported to date and the remainder being negative.
- Logistically this has been a significant operation and one experienced by all Colleges (and Schools) across the Country.
- The Estates Team and the Health and Safety Officer have worked at a very high level to ensure that the venues and procedures were in place in the short timeframe available.
- 3 Covid Operations' Managers have been recruited in the short term, to manage the various aspects, as once Teaching re-commences, Teaching and Support Staff will not have the time to manage the testing process.
- An internal track and test process has been established and Covid Marshals continue to ensure compliance with social distancing and mask wearing requirements.
- After the 2 days of testing, there will only be one venue offered – the Sports Hall, with 16 bays.
- Other mitigating action – the College will continue with the Autumn Term xyz timetable, whereby 2/3 of each class returns at any one time, which will allow for adequate social distancing in classrooms to be maintained; the 1 way system will continue to operate and cleaning on site remains at the higher level established last year.
- There are mixed feelings across both Staff and Student communities in terms of anxiety and confidence in returning to the College site.
- The remainder of this term is short with only 3 weeks and 2 days before Good Friday.
- SMT has still to decide on operations post Easter and consideration will be given as to whether to return to full class cohorts once further analysis becomes available and giving time to determine the rate of infection in Brighton and the College, nearer the time. Returning to “normal” would assist the assessment process for A2 Students.

## GRADE ASSESSMENTS

- A2 subject Assessment grading process – there is flexibility for Colleges to determine their own way of calculating the assessment grades which in some ways makes it more likely that there will be appeal challenges in view of the lack of consistency across the sector. The Principal advised that it was essential that the guidance should be interpreted in such a way by the College so as to ensure that it was fair to everyone and at the same time maximising Students' chances of doing their best.
- In comparison to last year, in 2020 Students had completed their courses, sat their mock exams etc, whilst in the current year this has been a very different experience - of the 13 weeks on site last term, following the 2/3 model, key assessment points have been missed. The latter means that a new process must be established to take into account assessments made to date, whilst also giving Students an opportunity to boost their grades over the next few weeks of possible testing. Some Students who perform well in exams or who tend to work intensely at the end of their time at College, would prefer to sit exams, rather than have their grades assessed via alternative means. Earlier today, the Principal took proposals to Heads of Departments with the intention that assessments are based on course activities, key homework, non-examined assessments, in class assessments e.g. mini-exams etc in order to provide a balance of areas to achieve the final grade award and to maximise the opportunities for Students to achieve as well as possible. Once the details have been resolved, all Staff will be informed tomorrow and Students and Parents, who are very keen to find out the methodology, will be informed by the College (from Monday 15<sup>th</sup> March). Regarding the various assessment proposals, it was noted that the application of the various elements may be more difficult to achieve depending on the subject area.

## SUMMARY OF PROPOSALS

- Grades will be awarded via a combination of on-course assessments (OCAs) and end point assessments (EPAs)
- On-course assessment will be drawn from a variety of evidence of work already completed or yet to be completed (deadline 23<sup>rd</sup> April)
- Students will be told what OCA work is being used to help determine their final grade (details to be resolved).
- End-point assessment will be taken in the first two weeks of May as synchronous assessment (the whole cohort will sit a paper at one time).
- EPAs will be taken in a classroom setting within our existing timetable structure, but teaching will have ceased for A2s by the end of April.
- The maximum amount of EPAs will be 2 x 1 hour papers; Students will be told what content these will focus on in advance (this will have been weighted to a maximum of 30-40% of the final grade).
- Final Submission Grades (FSGs) will be formed from a weighted combination of OCAs and EPAs to be defined by each department within a set range.
- Regarding other Colleges' plans, there has been a sharing of information with local Colleges and the S7 network etc and there will be differences in how each Colleges reaches their assessments. Some will follow an assessment process similar to BHASVIC, but others were indicating that they were planning to schedule full scale Sports Hall type exams with invigilators etc
- There has been a mix of advice and suggestions on the basis of assessment proposals from SFCA and Ofqual etc, some of which are believed to be unworkable solutions by many Colleges.
- Staff are concerned regarding the possible number of appeals from Students once the assessment grades have been finalised and the process has been devised in order to avoid both the number of appeals and the College's reputational. The Results day will be on 10<sup>th</sup> August, when traditionally there are limited Staff at College – however, should some Students submit appeals, then SMT will need to manage this.
- ***The next point has been transferred to confidential minutes owing to the sensitive content – refer confidential minutes.***

## QUESTIONS:

- ***In response to a question from Governors, the Principal reported that with regard to the evidence required by the Examination Boards in respect of Colleges' grade assessments, the expectation will be that the assessments should compare similarly to the historical results of the College for the period of 2017 and 2019 and that Colleges may be required to submit evidence to support this.***
- ***The Principal explained the situation this year in comparison to last, noting that last year the examinations were cancelled before Easter, but that unlike this year, the Students had completed their mock and progression exams together with in class assessment. This year Students have only had 13 weeks on site in total since last March and there were very few reliable assessment points, the latter of which raises concerns for Staff in terms of reliable information relating to Students' performance and assessment.***
- ***Governors queried whether a more specific risk should be added to the risk register for the next term or so, to reflect the current Covid risks. In conclusion the Principal agreed to extend the risk register to incorporate the 3 particular aspects currently arising from Covid, namely – reputational risk, financial loss and management time, along the lines of "failure to provide a robust set of Teacher assessed grades leading to financial damage, reputational risk and management capacity" which would also be classified at the maximum score of 9 and this will also include mitigation details. ACTION: William Baldwin. The Principal explained some of the mitigation action which will be implemented in order to support and justify the assessment methodology, based on a checklist of criteria established by SMT. He advised that it was likely that some internal adjustments would be required by SMT in order to ensure that the overall figures reflect the Colleges 2017-2019 results analysis. The time pressure to establish and test the process was also highlighted.***
- ***The following 2 points have been transferred to the confidential minutes owing to the sensitive nature of the discussion. – REFER CONFIDENTIAL MINUTES***

- *The Principal reported that communications will be a key focus to ensure that as much useful and timely information for grade assessments, explaining the process and detail to Students and Parents, with a focus on an equitable approach for all Students. Governors endorsed this approach.*
- *Grade inflation for last year's results was noted and that the national benchmark figure was 11-12% compared to the previous year, whilst BHASVIC's was lower at 3-4%.*
- *The Committee also queried the flexibility options available to each Department in establishing their own assessment process, within the criteria established by SMT, was raised, and how SMT made sure that they were satisfied with the approach per Department. In response, the Principal advised that the College trusted its Heads of Department to deliver the most appropriate process for its subject and Students and noting that some flexibility was essential, within the parameters set out, in view of the differences between subject areas eg Maths compared to Music etc. In its review of the process per Department, SMT will also have to take into account the issue of potential grade inflation within the parameters anticipated, along with value added analysis etc, so it's likely that some further adjustments will be necessary following SMT final review.*

## 1.6 Strategic Plan – Draft

The Principal presented the updated draft Strategic Plan and explained that subject to any further changes, the final draft would be considered at Corporation for approval at its March meeting.

- The useful strategy session at the January 2021 Corporation meeting was discussed noting that the input from Governors had been incorporated into the latest draft.
- The document has also been shared with Staff and Student Ambassadors for consultation.

### Headline Revisions:

- The 7Cs have been removed – based on Governors recommendations and also supported by Staff.
- The above has been replaced with a tag line “Contemporary, Creative, Learning Community” which reflects the development of the College’s Strategy since the Principal’s appointment.
- There are 4 key aims under each of the key strategic “words” in the tag line above.
- Of the 4 main suggestions made by Governors at the last Corporation meeting, all have been incorporated into the latest Plan: sustainability (within “contemporary”); income generation (via proposed feasibility study in respect of adult skills Level 3 qualifications as part of an expanding evening offer – which will be a medium term project); Student Services and Guidance – ongoing discussion reported via the Quality and Curriculum Committee regarding the balance of resources in this area and possible restructuring/resourcing, noting that phase 1 of the consultation process with the respective Staff – this aspect has been included in the Strategic Plan within the section referring to getting the balance of resources right and also when to signpost to external providers etc; under the community section, stakeholder engagement has been incorporated, noting that a separate document will be generated to cover this aspect – a stakeholder engagement strategy which will include such topics as partnerships, strategic direction, priorities etc

### QUESTIONS AND COMMENTS FROM THE COMMITTEE:

- *It was thought that this was a very good, succinct and therefore a manageable document, achieving a good balance of targets and relevant information. It was agreed that a move away from the 7Cs was a sensible one, reflecting the progress made since the Principal's appointment and first Strategic Plan, making it compelling and have improved clarity with measurable targets and ambitions.*
- *Following a suggestion from the Committee, the Principal agreed that further detail should be included within the statement on “implementing the final stage of the master plan” to explain what the final stage is, so that it's measurable. ACTION: William Baldwin*
- *In response to a question from the Committee, the Principal explained that “metacognition” means thinking about thinking and is a useful mechanism to enhance student learning, both for immediate outcomes and for helping students to understand their own learning processes.*
- *Governors queried the responses from Staff to the new Plan and the Principal confirmed that the revised draft had been circulated to all Staff with responses requested by Monday next. However, as recorded at the recent Q & C Committee meeting, Neil Jones (Staff Governor and Head of Faculty) stated that the general impression from Staff was that this was well written and would be supported.*

Subject to the points and observations made above, the document was recommended to Corporation for approval.

**ACTION: William Baldwin**

## **SECTION 2: AUDIT AND INTERNAL ASSURANCE ITEMS**

### **2.1 Appointment and Remuneration of Internal Auditors**

Jutta Knapp reminded Governors of the decision at the last meeting, and explained that owing to the lockdown, the process for seeking a new Internal Auditor. MacIntyre Hudson, a local firm of auditors, has been approached, being the only local firm who was prepared to offer an onsite Internal Audit Service, and they have been provided with various College documents (Report and Accounts, Strategic Plan, Risk Register etc).

Jo Davis confirmed that she'd be willing to join Jutta Knapp for the interview and Jutta Knapp confirmed that she had indicative costings from various sources, including other S7 Colleges. It was agreed that the interview meeting would be set up as soon as MacIntyre Hudson's proposal has been received, likely to be in the Summer Term. **ACTION:**

**Jutta Knapp**

*In response to a question from the Committee, Jutta Knapp explained the usual focus of the College's internal audit work, being reduced scope focused upon learner numbers, key financial controls and usually 1 other area, identified as necessary where the Committee deems that further assurance would be useful. The Committee was also reminded that the service required will be based upon the work required, rather than a specific number of days per annum, which MacIntyre Hudson have agreed.*

Jutta Knapp reiterated that there was no Learner Numbers' audit last year owing to the lockdown and which was not possible to do remotely. However, as the College had had an ESFA funding audit within the last 2 years, the Learner Numbers' risk was deemed to be very low.

*Governors questioned whether there was any other internal audit work which was needed following the gap in internal audit services, since Mazars resigned at the end of the last academic year and noting that it had in effect only been 2 terms with an internal audit service (IAS), and that work would commence in the Summer Term, that there was nothing of significant concern to be resolved in the meantime.*

*Following a suggestion from the Committee, the Chair and Jutta Knapp agreed to ask at interview, whether MacIntyre Hudson had any new suggestions regarding the IAS. Committee Members were invited to submit other questions to Jutta Knapp too. ACTION: Chair/Jutta Knapp*

The Committee endorsed the decision to interview MacIntyre Hudson for the new Internal Audit Service for the College.

### **2.2 Update on Outstanding Audit Recommendations**

Jutta Knapp confirmed that there were no outstanding audit recommendations and that all recommendations had been actioned and implemented.

### **2.3 Performance Indicators for Financial Statements' Auditors**

Jutta Knapp introduced the paper the contents of which were noted by the Committee.

Jutta Knapp reported on the difficulties experience during the last external audit work owing to remote working which had generated a significant amount of additional work for both the College and the External Auditors (RSM UK) and that she was hopeful that a return to an onsite external audit next academic year would be achievable.

*In response to a suggestion that it might be worth obtaining feedback from RSM UK, it was agreed that this could be raised by the Committee in the Autumn Term Meeting to which Dominic Blythe, RSM UK, will next attend. At this point it was reported that the RSM UK Manager assigned to BHASVIC for the last few years' external audit work, had left the company, but that the Partner (Dominic Blythe) and other members of the senior team, remained and new the College well. Jutta Knapp and the Committee agreed that RSM UK had done an excellent job for several years and also noted that there were now very few companies in the sector who had the educational experience and expertise and were prepared to offer the external audit service. The Committee was also reminded that Dominic Blythe was*

also once a Governor at BHASVIC and a Chair of the Audit Committee (prior to his current employment at RSM UK). It was also recorded that RSM UK had excellent technical expertise and rigorous processes in place in order to ensure no conflicts of interest and that partners and managers were rotated on a regular basis.

The document was approved and recommended to Corporation for agreement. **ACTION: Jutta Knapp**

## 2.4 Reappointment and Remuneration of External Auditors

Referring to the discussion held above and Jutta Knapp's advice and recommendations, the Committee resolved to recommend to Corporation that RSM UK, the College's External Auditors, should be reappointed for the next academic year. **ACTION: Jutta Knapp**

Regarding remuneration, it was noted that the details would be included in the Auditors' Audit Plan which will be issued in the Summer Term and accordingly it was agreed that the remuneration would be considered and approved at the Audit Committee Summer Term meeting. It was indicated that the audit fee was likely to reflect a CPI (consumer price index) adjustment only, and noting that this year an increased fee had been agreed to reflect the additional work required arising from the pandemic. **ACTION: Jutta Knapp**

## 2.5 Risk Register

The contents of the risk register were noted by the Committee and the Principal gave a brief summary of the content and format for any new Committee Members. The Audit Committee was invited to consider whether assurances for the higher risks were being managed adequately in light of the pandemic, the impact of which has affected the whole education sector. The following points were recorded:

- As reported above, an additional risk will be added in respect of the grade assessment process: **ACTION: William Baldwin**
- There are more risks at higher value than normal owing to the pandemic.
- Reference was made to the risk of strike action which this week had now reduced as Staff and Students had returned on site.

The Risk Register was recommended to Corporation for approval. **ACTION: William Baldwin**

## 2.6 Risk Assurance Map

The paper was considered by the Committee and Jutta Knapp confirmed that the Map had been updated to reflect any feedback from the other Committees and also noting as per the Risk Register updates above, that there had been a change in the level of risk. The Committee also noted the sources of assurance provided to the various Committees and that each Committee (Q & C and Resources), were satisfied with the assurances given in respect of their respective risks and that the risks were managed effectively.

Other points raised:

- Highlighted the 3 types of assurance – management operations, governance oversight and independent assurance (eg funding audit, internal auditors, examination moderators etc).
- *The Committee questioned the "red" category within the third assurance column (independent assurance) and Jutta Knapp explained that the "red" classification was also included when no independent assurance had been sought or received and noting that the "red" category was not solely for "action required" and that adding "not applicable" would not be appropriate as this may result in potential internal audit work could be overlooked; this format was adopted a few years ago, in order to draw attention to a risk where there may or may not be an issue and if the latter, internal audit work should be commissioned. It was resolved that to improve clarity, a Y/N response should be added to reflect whether assurance was required or not and that in respect of the risks listed a "Yes" response in this regard, should be included for risk 3.5, 5.4 and 5.6 (noting return on site, revised Health and Safety Procedures and the additional level of mitigation with testing on site twice per week). ACTION: Jutta Knapp*

Subject to the revisions agreed above, the Risk Assurance Map was recommended to Corporation for approval.

**ACTION: Jutta Knapp**

**SECTION 3 CONSENT AGENDA**

**POLICIES AND OTHER DOCUMENTS**

**3.1 None**

**SECTION 4: OTHER MATTERS**

**4.1 FRAUD REPORT**

There were no instances of fraud of which the College was aware, since the last meeting.

Jutta Knapp reminded the Committee members that the most significant fraud risk affecting the College was cyber-attack and more recently that has been an increased awareness and information regarding this risk to Colleges and noting that JISC (Joint Information Systems Committee) which provides FE Colleges with digital services, notified Colleges earlier this week of a potential cyber risk which results in an emergency patch being applied to the College's services.

It was also noted that regular guidance and updates relating to fraud were circulated to the College by the bank.

**4.2 ANY OTHER BUSINESS – None**

Jo Davis confirmed that as recommended by the Search and Governance Committee last term, the Corporation's Committees were each looking to appoint a Deputy Chair and she stated that she would contact each Committee member of the next 2 weeks to have a chat about whether any Member would be interested in the Deputy Chair role.

**ACTION: Jo Davis**

**4.3 Date of Next Meeting – Thursday 24<sup>th</sup> June 2021**

**SECTION 5: CONFIDENTIAL BUSINESS**

**5.1 Confidential Minutes from the Last Meeting – approved**

**5.2 Matters Arising –** Reference was made to the update and discussions held earlier in the meeting relating to the Centre Assessment Grades (CAG).

There was no other business.

**5.3 Any Other Business (confidential) – None**

Louise Pennington

Clerk to the Corporation

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**Chair of Audit Committee**

**Dated**.....