

MINUTES

AUDIT AND RISK COMMITTEE

Date: Wednesday 26 February 2025

By Microsoft Teams

Time: 6:00pm

Chair	Tom Flynn
Corporation Member	Jane Lofthouse, Lalage Clay, Sarah Thomas
Co-opted Member	John Turnbull
In Attendance	Principal & CEO: Jamie Purser Chief Finance & Operating Officer (CFFO): Judith Abbott Deputy Principal, Student Experience, Safeguarding and NewVlc Curriculum: James Gould (JG) Interim Deputy Principal, Quality & Newham Curriculum: Sara Woodward (SW) Executive Finance Director, Pieter Vermeulen RSM, External Audit Service: Hannah Catchpool / Suzy Harper Scrutton Bland, Internal Audit Service: Paul Goddard / Ryan Pearce
Item 13	Funding Audit and Compliance Manager: Simeon Gibbons
Director of Governance	Judith Nelson

Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
1.	Chair's Welcome & Opening Remarks The Chair welcomed all in attendance.
2.	Apologies For Absence <ul style="list-style-type: none"> ▪ Sarah Thomas ▪ John Turnbull ▪ Scrutton Bland – Internal Audit Service
3.	Declaration of Interests None
4.	<p>a. Minutes of the Last Meeting Held on 11 December 2024 The minutes were approved with an amendment to be made that Tom Flynn left the meeting as previously advised at 18:25.</p> <p>b. Matters Arising and Action Points from the Meeting No outstanding matters arising.</p>
ITEMS FOR CHALLENGE, MONITORING & REVIEW	
5.	Risk & Assurance Progress Report February 2025 The Committee noted there were no internal audit assurance reports as the Marketing and PR audit was deferred due to operational challenges and fieldwork had just been completed for the audit of Newham College Management Information (which will be rolled out to NewVlc as systems are harmonised) which will be presented to the next meeting.

Item No	Item of business
6.	<p>a. NewVlc draft Financial Statement and Audit Findings for three months ended 31 October 2024 The audit identified one unadjusted misstatement regarding the calculation of the oncosts relating to a reduction in the holiday pay accrual. Should this adjustment be actioned, the impact on the operating results for the period will be immaterial.</p> <p>The Chair requested for the following amendment to be made to the first paragraph of the report. <i>‘These accounts have been prepared on a basis other than going concern, due to the dissolution of NewVlc Corporation on 31 October 2024 and its subsequent merger with Newham College.’</i></p> <p>RESOLVED: Financial Statement and Audit Findings for three months ended 31 October 2024 to be recommended to the Corporation Board (11/12/2024) for approval.</p> <p>b. NewVlc Estate Valuation The Committee were made aware that the College has been advised by its financial statement auditors RSM, that NewVlc’s land and buildings need to be transferred onto the Newham College balance sheet at fair value, on a continuing use basis, as of 1 November 2024 (the merger date), rather than at the net book value from NewVlc’s closing accounts.</p> <p>ACTION: The Chair requested for the NewVlc estate valuation report to be recommended to the Corporation Board for approval for completeness and oversight.</p>
7.	<p>RSM Payroll Audit for Financial Year Ended 31 March 2024 – Interim Findings The Committee noted RSM were commissioned to undertake a 100% audit of all Newham College payslips for the financial year April 2023 to March 2024 which was a period of turbulence within the payroll department, with significant changes in both personnel and systems. The audit is not yet complete. The Committee received an update of the emerging themes and next steps. A further updated will be presented to next meeting.</p> <p>ACTION: The Chair requested upon completion of the audit an update on mitigating actions be presented to the committee (a) to ensure controls are in place and (b) provide the committee with assurance that the identified errors are not repeated.</p>
8.	<p>Year End Audit Findings Status Update The Committee noted:</p> <ul style="list-style-type: none"> ▪ of the 18 findings, eleven items were closed as the recommendation was implemented (some are subject to ongoing monitoring), six are on track for closure this year. ▪ Newham Foundation is an outstanding item that has been an audit finding over many years. It is hoped that further progress will be achieved this year, although there are now more competing priorities following the NewVlc merger. <p>ACTION: The Chair requested for the next report to be reordered according to the traffic lights colour coding.</p>
9.	<p>Risk Register Update The Committee noted the following:</p> <ul style="list-style-type: none"> ▪ of the 21 key risks identified, 11 have reduced in severity compared with their status at the start of the year and 4 (Risks 7, 8, 9 and 11) have reduced in severity since December. ▪ risk 6, failure to maintain estate, facilities and IT and ensure satisfactory compliance, has increased in severity since December, following discovery that insulation below the render on C Block at Stratford is not fire retardant and needs urgent removal.
10.	<p>Post Merger Systems Integration Monitoring Report The Committee received an update on the post-merger business systems integration status. All key business systems were on track for integration according to their time-lines:</p> <ul style="list-style-type: none"> ▪ MIS – final completion of project will be post-R14 when ProSolutions can be archived ▪ HR/Payroll – planned to commence payroll payments from single version of iTrent from August

Item No	Item of business
	<ul style="list-style-type: none"> Finance/BluQube – timing has been accelerated from original planned date of August to June, reflecting progress made to date and desire to de-couple implementation from year-end workload <p>ACTION: The Chair asked Exec colleagues to think about having a 15 min deep dive presentation on HR and MI, extending an invitation to the CPO and Executive Director, MI.</p>
11.	<p>Cyber Security/Threats Update Report</p> <p>The Committee received an update on the NewVlc ransomware attack, which was previously reported to the committee. As an ongoing precaution the NewVlc network continues to shut down in the evenings and at weekends when there are no staff monitoring activity, as the threat has not been wholly eliminated.</p> <p>The data breach was reported to the Information Commissioner's Office who, after consideration of the situation, have confirmed in writing that regulatory action is not required.</p> <p>ACTION: The chair requested for any pertinent points from the security update power point presentation to be included in the overall executive summary reporting.</p>
12.	<p>Safeguarding & Prevent Update</p> <p>The Committee noted the addendum to the policy was in response to two recent safeguarding incidents linked to youth crime, which led to a review of the contextual policy and practice in this area.</p> <p>RESOLVED to Approve the addendum to the safeguarding policy on the proviso some minor amendments to be made prior to presenting to the Corporation Board for approval.</p>
13.	<p>College Audit Compliance Progress Update</p> <p>The Committee noted the comprehensive report and requested for a deep dive into student attendance. Interim Deputy Principal advised members that a detailed report on student attendance will be presented to Curriculum & Quality Committee and full Corporation Board.</p>
14.	<p>Health & Safety Annual Report</p> <p>The Committee reviewed and noted the report which required rigour and more information:</p> <p>ACTIONS:</p> <ul style="list-style-type: none"> The CFFO to check the status of RIDDOR reporting as it was currently reporting nil The Deputy Principal to check when the last lockdown drill at NewVlc took place Commence the planning process to implement a lockdown drill as soon as is practicable
15.	<p>Freedom of Information Act Breach</p> <p>The Committee were made aware that the College had inadvertently breached section 10 of the Freedom of Information (FoI) Act by failing to respond to a FoI request within 20 days and receiving a Decision Notice from the Information Commissioner's Office (ICO), which is filed on the ICOs public register. The Committee received the background and rationale for the FoI request, which formed part of a complaint investigation.</p>
16.	<p>Any Other Business</p> <p>None</p>
17.	<p>Meeting Schedule 2025-2026 @ 6pm by Teams:</p> <ul style="list-style-type: none"> 18 June 2025 (this meeting was rescheduled to 11 June 2025 outside of the meeting) 03 December 2025 25 February 2026 17 June 2026