

Minutes of the Meeting of the Audit Committee held on Monday 17th March 2014, 5.00pm, The Conference Room, Prior Pursglove College

Present: Mr M Loftus (Chair), Mr J Kay, Mr B Pearce

In Attendance: Mrs E Grove (Clerk), Mr J Gouck (Wylie + Bisset Internal Auditors), Mr R Grierson (Vice Principal)

Meeting quorate

100% attendance

1) **Apologies for Absence**

Anderson Barrowcliff (Financial Statements and Regularity Auditors), Mrs J Burton (Principal), Mr T Stephenson (Assistant Principal, Finance)

2) **Minutes of the Meeting of Thursday 14th November 2013**

The minutes were agreed and signed as a true record.

3) **Matters Arising**

3.1) It was confirmed that Mr Pearce had been given access to the governors' portal.

3.2) It was confirmed that the annual report on review of the Financial Regulations, Fraud Policy and Fraud Response Plan would be built into the annual business cycle.

3.3) Amendments to the Audit Committee terms of reference had been considered by the Search and Governance Committee and a recommendation will go to the March meeting of the Corporation.

4) **Internal Audit**

4.1) **Internal Audit Reports:** Mr Gouck took members through the audit reports.

4.1.1) **Follow Up Review:** The overall conclusion was strong. There had been nine areas of follow up with six recommendations fully implemented, two partially implemented and one not implemented.

The management response to the low grade not implemented recommendation was discussed. It was confirmed that budget holders receive training but the process had not been documented. The process will be documented. **Action**

The two partially implemented recommendations (one medium and one low) were discussed. It was confirmed that a written documented procedure was now in place for signed learning agreements to be loaded onto UNIT-e. Scanning of the agreements will be achieved by the end of March.

It was also confirmed that fully documented procedures for student records will be completed by September 2014.

4.1.2) **Corporate Governance:** The overall conclusion was substantial. One area of good practice was identified. Internal audit work had focussed on the Fraud and Whistleblowing Policies and had surveyed a sample of 50 staff to ascertain their level of awareness of the policies. Questionnaires had been targeted at non senior/middle manager staff. The findings were discussed. The four recommendations (two medium and two low) were discussed. It was confirmed that staff will be advised of the location on the portal of the Anti-Fraud policy and Whistleblowing policies. It was also confirmed that staff will be advised of the location of the Anti-Bribery Policy and Fraud Response Plan on the portal. The Whistleblowing Policy will be amended to include reference to the underlying legislation. It was confirmed that this would be done by the end of March. Mr Grierson was asked to talk with Mr Stephenson, who will be returning to work this week, to ensure this happened.

4.1.3) **Risk Management:** The overall conclusion was strong. There were no recommendations. Six areas of good practice had been identified during the audit.

4.1.4) Income Collection and Credit Control: The overall conclusion was strong. There were no recommendations. Six areas of good practice had been identified during the audit.

4.2) **Internal Audit of Curriculum Systems and Processes**: Mr Loftus explained that discussions had been taking place about auditing non-finance processes partly in response to the recent Ofsted outcome but also to obtain better value for money from the audits. Mr Gillespie of Wylie + Bisset had confirmed by email that they had experience of auditing curriculum processes. Mrs Grove was asked to send his email to Mr Kay and Mr Pearce. **Action**.

Mr Grierson outlined the recent work undertaken on documenting quality improvement processes and explained that quality audits were being implemented. A quality committee had also been established. Mr Grierson was asked to send Mr Gouck a copy of the draft Quality Improvement Processes handbook. **Action**

Mr Gouck advised that they had experience of auditing staff planning/utilisation and where students were coming from and if they were on the right course as well as other processes. A discussion followed. It was considered that the college self-assessment and lesson observation, performance management processes would benefit from audit. It was also suggested that staff planning/utilisation with reference to extra support sessions could be a focus in terms of value for money.

It was agreed that Mr Gouck would speak with Mr Gillespie and for an internal audit plan to be drawn up. **Action**

5) **Progress on Audit Recommendations**

Progress was discussed. The need for the document was discussed and it was agreed that it was a useful part of the tracking process.

6) **Risk Management**

The risk management timetable was discussed. It was reported that there had been some slippage due to the absence of Mr Stephenson but this will be brought back on track. Members asked for a report to be made at the next meeting on progress against the timetable. The adequacy of the timetable was confirmed. **Action**

7) **Control Issues**

There were not issues to be brought to the attention of the committee.

8) **Date and Time of Next Meeting**

This was confirmed as Monday 2nd June 2014, 5.00pm.

9) **Any Other Business**

Mr Gouck informed members that he had been advised that the audit of IT planned for this week could not go ahead due to college staff commitments. A discussion followed. Members expressed concern that this had happened as the audit had been planned for a considerable period of time. They queried the impact on Wylie + Bisset's audit schedule. Mr Grierson was instructed to follow up the matter the appropriate people. He advised that the appropriate documentation could be provided to the auditors for checking.

Action

Members emphasised that the audit must take place during this audit year. They asked for Mrs Grove to be informed of the revised date and for her to email members with that information. **Action**. The report was required for the 2nd June meeting.

10) **Publication of Documents**

It was agreed to publish all documents.

Mr Grierson was thanked for attending the meeting. He left at 5.55pm.

11) **Invitation for Auditors to speak with Committee Members**

Mr Gouck was asked if there was anything he wished to bring to the attention of the committee. He advised that he had nothing to report.

Discussion moved on to the focus of the week's audit.

The meeting closed at 5.59pm