

Minutes of the Corporation Audit Committee Meeting – Monday 2nd July 2012 at 6:00pm

Present

Mrs J Collier (JC) (Chair), Cllr C Barron (CB), Dr R J G Bloomer (RJGB), Mrs J Bolton (JB), Mr D Fitzgerald (DF), Dr M A Khan (AK)

In attendance

Mr M Patterson (MP), Mrs L Clark (LC) (Clerk)

Actions

1 Apologies for absence

None

It was deemed not necessary for the External or Internal Auditors to attend the meeting.

2 Declaration of interests

No interests were declared in respect of agenda items; however, members reserved the right to declare an interest at any stage of the meeting.

3 (i) Minutes dated 5th December 2011

The minutes of the meeting held on 5th December were approved. (The meeting on the 12th March 2012 was not quorate so notes of that meeting were taken and circulated).

(ii) Minutes dated 12th March 2012

The notes of the inquorate meeting held on 12th March were noted and accepted.

4 Matters arising

LC circulated the updated Skills Audit in May 2012 and is chasing up outstanding replies.

Members noted all other actions had been resolved.

5 IAS Items

5.1 Internal Audit Report 2012 – Progress Update

LC referred to the paper distributed prior to the meeting summarising that page 1 of the recommendations are taken from the recent Internal Report, and page 2 are updates on previous recommendations. It was agreed that all recommendations had been acted on and could all be signed off and removed from the update. New items will be added as necessary for future meetings.

The committee noted the paper as presented.

6 FSA Items

None

7 Audit Committee Items

7.1 Cost of External Audit

MP provided background on this item. The audit fee last year had been approximately £6200 - £6400, which based on MPs own benchmarking the previous year had been very good value. Under new guidance the auditors have been forced to undertake more days audit and have requested the fees be increased to £6750. According to MP this still represents good value for money. Members were reluctant to have to increase costs, but on this occasion agreed that it was appropriate and still represented good value for money.

CB and DF arrived during this item.

7.2 EFA National Audit Changes

MP referred to the paper distributed prior to the meeting. The EFA have issued a consultation exercise which asks 4 questions as referenced in the paper. MP recommends that the college continues with internal audit rather than removing it entirely and proposes that one firm carries out both internal and external audit thus saving money on management time. JC queried whether a review could be done to reduce the audit days further. MP also recommended the removal of the FMCE.

Members discussed and agreed with MPs proposal.

7.3 FMCE questionnaire

MP referred to the paper distributed prior to the meeting commenting that there had only been minor changes to the wording of questions etc. since the questionnaire had been completed last year. This document will no longer be a requirement under the EFA National Audit Changes (see item 7.2 above). There was a suggested amendment to page 20 Q7b to include a sentence to state that numerous issues had contributed to lower enrolments.

The committee approved the FMCE and recommended to the Corporation.

7.4 Audit Committee Annual Assessment

LC requested members complete and return the annual assessment form.

8 2012/13 VFM Action Plan & 2011/12 Report

MP referred to the paper distributed prior to the meeting commenting that on page 2, 3 and 4 the only changes relate to dates. Section 3 on page 5 highlights specific VFM reviews relating to support staff, funding methodology changes and the IT network. MP provided further detail on each of these areas.

The college is proposing to employ apprentices to replace a number of support staff vacancies as both the trainer and the employer to reduce costs. Funding is available and the scheme is a positive step in promoting youth employment. The vacancies are in sports centre (x2), library, computer services (x2), student services and work placement. There will also be opportunities in Art and Childcare whereby the college would train for others. The scheme will initially be a pilot and will be a fixed term contract for 18 months and although there is no guarantee of a job at the end of the contract, if an appropriate vacancy did arise then the apprentice would be encouraged to apply. There would also be support for the apprentice in applying for other external jobs should there not be a suitable vacancy at college.

There was a debate amongst members as to whether this was purely a money saving exercise; whether it was not in line with the college as a provider of education; and whether the Corporation should be involved with the decision making. MP responded that staffing issues were an operational management decision and only SPH employment was dealt with by the Corporation. It was agreed that MP will provide a briefing for the Corporation on the apprenticeships scheme.

MP

MP outlined that the funding methodology is changing and until it is finalised then it is impossible to make a final decision regarding General Studies. This issue will be brought to the Corporation once there is more information.

The review of the IT network is likely to take place in the Autumn and will involve significant costs so will be debated by the Resources committee and brought to the Corporation in due course.

MP also summarised the actions during 2011/12 as highlighted in section 4 of the VFM report.

The committee noted the paper as presented.

9 Risk Management

9.1 Monitoring Report June 2012

MP referred to the paper distributed prior to the meeting commenting that nothing has changed from the last report.

The committee noted the paper as presented.

9.2 Register 2012 / 13

MP referred to the paper distributed prior to the meeting summarising that the risks are often repeated each year as many are not the type of risks which will ever disappear completely. Risks of 14 or higher are added to the Action Plan.

The committee noted the paper as presented.

9.3 Action Plan 2012 / 13

MP referred to the paper distributed prior to the meeting. The committee commented on the importance of the risk management forms.

The committee approved the Risk Management Action Plan 2012 / 13 and recommended to the Corporation.

10 Any other business

This item was deemed confidential. The detailed minutes are available from the Clerk to the Corporation.

11 Date of next meeting

TBA

Signed.....**J Collier**.....

Date.....**26th November 2012**...

ACTIONS – Audit Committee Meeting 2nd July 2012

Item	Action to be taken	By whom	By when
8	MP to provide details to the Corporation on the proposed apprenticeships scheme	MP	CORP meeting