



**MINUTES OF THE TRC
AUDIT COMMITTEE MEETING**

MONDAY 23 JUNE 2014

PRESENT

Ms J Collier (Chair); Dr R J G Bloomer; Ms R Hill; Mr B Owen; Ms A Todd

In Attendance:

Ms A J Oaks (Clerk); Mr M Patterson, VP Finance & Resources; Mr A Sutcliffe (Allotts); C Richardson.

APOLOGIES

14.23 Apologies were received from Mr D Fitzgerald and Mr M Chaudhary.

DECLARATIONS OF INTEREST

14.24 There were no declarations of interest.

MINUTES

14.25 The Minutes of the meeting held on 24 March 2014 (Part I) were agreed as a true and accurate record and were signed by the Chair.

14.26 The Minutes of the meeting held on 24 March 2014 (Part II) were agreed as a true and accurate record and were signed by the Chair.

MATTERS ARISING

14.27 The Committee received a list of actions arising from the previous meeting, noting Terms of Reference for the Committee had been revised and approved.

CLEANMAIL CASE UPDATE

14.28 The VP F&R provided an update which is recorded in a separate confidential minute.

RISK MANAGEMENT:

Risk Management Monitoring report

14.29 MP referred to the paper distributed prior to the meeting, commenting on the items highlighted in bold which were discussed in some detail with the Committee particularly the risk to the College of terrorism or other major incident. It was noted that this was covered within the Risk Register under Estates and Health and Safety. The VP F&R informed the Committee that in terms of responding to a major incident, the College had an extensive Critical Incident Policy in place which was reviewed every 2 years by SMT and the College's insurance company, with copies being held off-site by all members of senior staff. This provided a satisfactory level of assurance to members. Following questions with regard to potential risks emerging, the VP stated that any new risks arising in-year would be reviewed by the Risk Management Group.

The Report was noted and received.

Risk Register 2014/15

14.30 The VP F&R referred to the paper distributed prior to the meeting which had been reviewed by the Risk management Group on 6 June 2014. Attention was drawn to risks where scores had changed and areas where new risks had been added. These included recruitment and retention of Governors; risk of industrial action due to redundancies; service problems associated with installation of new Wi-fi; transition to support staff tutor role; loss of AP Support and Welfare; financial limitations for use of ICT; outcome of Ofsted not being capitalised sufficiently to achieve an outstanding judgement.

The Report was noted and received.

Risk Management Action Plan

14.31 Risks with a score of 14 or more were included in the RMAP. Action being taken by management to mitigate the risks was noted.

RESOLVED 14.31 To recommend the Risk Management Action Plan 2014/15 to the Corporation for approval.

FINANCIAL STATEMENTS AUDIT PLAN FOR YEAR ENDING 31 JULY 2014

14.32 Governors had received the Plan in advance of the meeting. The strategy was in line with that for the majority of SFCs in the sector. The VP F&R reported that the Plan had been produced following a meeting he had had with Grant Thornton and that the field work would commence in August, concluding in September as in previous years. It was noted that there would be a Regularity audit, as per previous years. Fees for undertaking the External audit of the Financial Statements for year ending 31 July 2014 were duly noted and accepted.

The report was noted and received.

ASSURANCE ARRANGEMENTS 2014/15

14.33 The Chair introduced Mr Sutcliffe from Allotts who had been invited to the meeting to discuss internal assurance arrangements. Mr Sutcliffe spoke of the changes brought about by the Joint Audit Code of Practice, particularly the freedom for College to choose whether or not to appoint an internal audit service provider. Where Colleges chose not to, other ways of obtaining assurance over internal controls were required, placing an increased level of responsibility upon Governors. The Committee and the VP F&R were satisfied with the level of service provided by Allotts, which had been reduced in recent years to a level that was reasonable and provided the necessary assurances to the Committee.

14.34 Discussion took place with regard to the potential to tender for internal audit services in 2015/16, as it was noted that the VP F&R would be retiring around that time. The Chair believed it would be more appropriate to delay any decision on tendering as it was essential to retain a level of continuity and stability in respect of the relationship between the College and the auditors at a time of transition. The Clerk advised that if the Committee were to consider tendering in the future it was important to ensure that the internal audit service added value. The Chair thanked Mr Sutcliffe for attending.

ANNUAL SELF ASSESSMENT

14.35 The Clerk referred to the assessment form paper distributed prior to the meeting and reminded members to complete and return it for evaluation purposes.

DATE AND TIME OF NEXT MEETING

14.36 The Chair reminded the Committee of the dates of the meetings for the coming academic year which would be held in December, March and June. There would be no meeting in September 2014.

14.37 The next meeting would be held on Monday 1 December 2014 at 5.30 pm.

Signed _____ Chair

Date _____