

**CONFIRMED MINUTES OF THE AUDIT COMMITTEE
HELD ON FRIDAY 28 FEBRUARY 2014 AT 9.00 AM
IN THE COMMITTEE ROOM AT GREEN LANE**

Present

Ian Butchart	Chair
Ian Swain	Independent Governor
Bob Kerr	Independent Governor
Mark Stokeld	Independent Governor

Also in attendance

Martin Raby	Principal
Stuart Slorach	Vice Principal Resources
Jackie White	Clerk to the Corporation Board
Clare Leece	Baker Tilly
Mick Thompson	KPMG
James Robson	KPMG

<u>AC13 637</u>	<u>PRIVATE MEETING WITH THE AUDITORS</u>	Action
	Members held a private meeting with the auditors prior to the main meeting; this was concluded at 9.40 am.	
<u>AC13 638</u>	<u>DECLARATION OF INTEREST</u> There were no declarations of interest.	
<u>AC13 639</u>	<u>APOLOGIES FOR ABSENCE</u> Apologies for absence were received from Patricia Oswald.	
<u>AC13 640</u>	<u>UNCONFIRMED MINUTES OF THE LAST MEETING HELD ON 29 NOVEMBER 2014</u> The minutes of the Audit Committee meeting held on 28 November 2013 were agreed as a true and accurate record.	
<u>AC13 641</u>	<u>MATTERS ARISING</u> Min Ref: AC13 631 – Claire Leece confirmed that the Audit Findings report of the external auditors had been updated. In addition the following matters were updated: Min Ref: AC13 629 – The Chairman of the Committee confirmed that the Internal Audit Annual Report had been presented to the Corporation Board at its December meeting. Min Ref: AC13 639 – The Chairman of the Committee confirmed to KPMG that if there is a disagreement which cannot be resolved between management and themselves regarding the audit findings and ratings that they could raise this direct with himself. This was noted by KPMG.	

Action

Min Ref: AC13 631 – The Principal confirmed that the Interim Director of Finance had rectified the position regarding the Data Protection issue and that the Vice Principal Resources would ensure that his name was now down as the appropriate lead.

Min Ref: AC13 634 – The Clerk confirmed that a date had been scheduled for a risk management session for members and this was included in the learning and development plan.

AC13 642 INTERNAL AUDIT STRATEGY 2013/14

KPMG confirmed that the plan reflected discussions with the College following consideration of the DRAFT plan. The plan identified key areas being covered over the next three years with a more detailed plan and timeline for the current year's activities. It was noted that the IT plan report which was due to be considered at this meeting had been delayed due to turnaround issues. There was some discussion regarding the classification ratings which were different in the strategic plan and the partnership audit report. KPMG confirmed that the classification ratings had been updated and it was those contained within the partnership audit report which were being rolled out.

The Committee **APPROVED** the Internal Audit Strategic Plan.

AC13 643 INTERNAL AUDIT REPORTS

Partnerships and Strategic Alliances – KPMG confirmed that the overall opinion for the partnership and strategic alliances internal audit report was satisfactory, highlighting 1 medium and 2 low recommendation. Following consideration of the recommendations it was noted that any issue with the partnership with Arts University Bournemouth would be considered in the first instance at the HE Academic Board and any significant issues brought to the attention of the Corporation Board as appropriate.

The Committee discussed and **NOTED** the Partnerships and Strategic Alliances audit report.

AC13 644 INTERNAL AUDIT PROGRESS REPORT

KPMG confirmed that the initial audit report on partnerships and strategic alliances had been considered by the Committee and that the IT audit report would now be considered at the next meeting due to turnaround issues. Otherwise everything was on track. There were no problems with timescales and access to information and staff within the College.

The Committee discussed and **NOTED** the Internal Audit progress report.

AC13 645 RISK MANAGEMENT UPDATE

The Vice Principal Resources tabled the risk register and advised members that the original register had been reviewed

Action

and progress identified in the report against the risks. The Vice Principal Resources brought the following risks to the attention of the Committee:

- Funding agency streams – significant issue which is being managed
- Curriculum offer – being worked on with programme leaders, there is more risk on the HE side than FE. Programmes are being redeveloped
- Conversion rates – key risk but looking good at the moment and the College will have a better picture in May. The risk is being monitored at the Principalship meeting weekly
- Maintenance expenditure – concern over condition and age of estate. Estate has held up over the last period of bad weather. The College has been successful in receiving £83k grant funding and need to match £167k which is to improve windows and roof work. There are some further capital bids in the early stages of evaluation

Members asked for an update in relation to the HE student accommodation and noted that the accommodation had a 50% take up and is in a good position to fill all rooms. The Principal confirmed that the College is in discussions with Vela to look at additional accommodation for HE students if there was an over subscription to the College accommodation.

The Chairman of the Committee advised members that the Board was undertaking an external board evaluation and that independent members were participating in appraisal.

The Committee discussed and **NOTED** the risk register update.

AC13 646 CORPORATION BOARD DRAFT MINUTE IN RESPECT OF THE FINANCIAL STATEMENTS AND THE COMMITTEES ANNUAL REPORT

The Clerk advised members that the DRAFT Corporation Board minute was for information in relation to the signing off of the Accounts.

The Committee **NOTED** the DRAFT Corporation Board Minute.

AC13 647 RISK MANAGEMENT UPDATE

There were no further items of risk management.

AC13 648 ITEMS TO HIGHLIGHT TO THE CORPORATION BOARD

The Committee recommended the following items be brought to the Boards attention:

3.1.1 Partnership and Strategic Alliances Audit report

Clerk

AC13 649 ANY OTHER BUSINESS

College Calendar – The Principal advised members that the

<p>College were looking to prepare a College Calendar for meeting dates for 2014/15. As the College seeks to develop its HE provision it needs to ensure that College internal meetings can be co-ordinated to service Corporation sub-committees, especially the Academic Board. In addition, graduation dates must now be planned well in advance. Consequently the College is seeking to establish its 2014-15 calendar before Easter so that all 2014-15 meetings and events can be planned properly and well in advance. The Principal discussed with members whether there was a requirement to have two meetings in December or whether a late November meeting would be sufficient. Both auditors confirmed that one meeting in November would be sufficient.</p> <p>The Committee NOTED the update.</p> <p><u>AC13 650</u> <u>DATE AND TIME OF NEXT MEETING</u> The next meeting of the Audit Committee will take place on Friday 13 June 2014, 11.00 am, Middlesbrough</p>	<p>Action</p> <p>Principal / Clerk</p>
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Signed:

Date: