

# Draft Minutes

## MEETING OF AUDIT COMMITTEE

**DATE** 5.00PM, THURSDAY, 4<sup>TH</sup> JUNE 2015

**VENUE** BOARD ROOM, GATEWAY BUILDING, PARSONS WALK, WIGAN CAMPUS

### ATTENDANCE: Committee Members:

Governors

David Rogers, Chair  
Ann Harrison, Vice Chair  
*Susan Spibey*  
*Mike Thomas*  
Ian Dempsey

External Co-optee

Clerk to the Governing Board

Robin Newton-Syms

Principal

Michael Sheehan

Finance Director  
Executive Director, College Services

David Reeve  
Louise Brown

Internal Auditors (Baker Tilly)

David Fletcher  
Lisa Randall

Observer

Pauline Hunter

***Italics denote absence***

The Chair opened the meeting for business at 5.00pm and the Clerk confirmed it was quorate		
Minute	Item	
A/15/6/76	1	<b>CONSULTATION WITH AUDITORS</b>  There were no issues raised.
Members of staff joined the meeting		
A/15/6/77	2	<b>APOLOGIES –</b>  The Clerk reported that Vickie Round (Support Staff Governor) had now left the College and therefore resigned as a Governor which created a vacancy on the Committee.  Apologies were received from Scott Gillon, Ross McLaughlan, Susan Spibey and Mike Thomas.  The Chair welcomed Lisa Randall, Baker Tilly and Pauline Hunter who was attending as an Observer at this meeting.
A/15/6/78	3	<b>DECLARATIONS OF INTEREST</b> There were no declarations of interest.
A/15/6/79	4	<b>MINUTES OF THE MEETING HELD ON TUESDAY 31<sup>ST</sup> MARCH 2015</b> – were accepted as a correct record and approved for signature by the Chair.

A/15/6/80	5	<b>MATTERS ARISING</b>  The Clerk spoke to the Actions Sheet which was accepted.
A/15/6/81	6	<b>RISK MANAGEMENT</b>  David Reeve spoke to this item. He outlined for the Committee the work that had been undertaken so far in ensuring the effective management of risk within the College. He reflected on the use of the Baker Tilly risk monitoring software (4Risk) as part of the College's Risk management processes. The tool was felt to be very useful but perhaps not suitable for widespread usage across the College, therefore it was being used by the Finance team to support other colleagues within the College. He spoke to the detail of the report which identified the top 11 risks for the College. This was recognised to be work in progress and therefore would be added to or changed as time passed.  The Committee felt the remodelled report was most helpful and should replace the previous reporting method. They felt that it would be helpful to highlight movement in the risks and also some form of timeframe for action. They wanted the high risks to be at the top of the list and further detail on which assurance and key performance indicators would be used.  These amendments were accepted and it was:  <b>Resolved:</b> that the new schedule of risks and reporting format be approved.  *** <b>Action: Finance Director</b>
A/15/6/82	7	<b>AUDIT RECOMMENDATION TRACKER</b>  David Reeve spoke to this item. He reported to the Committee that all the relevant actions to be taken were either in train or would have been completed in time for the visit of Baker Tilly in mid-July. There was some further discussion on the details of the report and David Reeve confirmed that subject to a satisfactory review by Baker Tilly, all the old outstanding recommendations would have been dealt with by the end of July 2015.  It was:  <b>Resolved:</b> that the report should be noted.
A/15/6/83	8 8.1	<b>INTERNAL AUDIT REPORTS</b>  Internal Audit Report on Student Retention  David Fletcher spoke to this item. The report was undertaken to review the work being enacted to ensure the retention of students at critical periods in their learning journey. He outlined that the conclusion of the report was a GREEN rating, giving the Board substantial assurance that the controls being applied were suitably designed, consistently applied and effective.  It was noted that retention rates had improved and were currently above the national benchmark.  It was:  <b>Resolved:</b> that the report should be accepted.

A/15/6/84	8.2	<p>Internal Audit Report on Capital Project Management</p> <p>David Fletcher spoke to this item. It was noted that the report highlighted a number of the key issues relating to the previous management of various campus redevelopment projects. The essence of the report findings were that due processes had not been fully complied with over a period of time when the College was facing a number of other significant issues. The Committee were concerned by this and a detailed discussion took place. In the light of this there was an agreement that Recommendation 3.4 should be amended to remove the 'partial' acceptance, also that it should be noted that whilst there were lessons to be learned, the management since these issues had arisen had been extremely good.</p> <p>It was:</p> <p><b>Resolved:</b></p> <p>That the report should be accepted subject to the amendments indicated.</p>
A/15/6/85	8.3	<p>Internal Audit Report on Governance Effectiveness</p> <p>David Fletcher spoke to this item. It was acknowledged that the report had highlighted a number of useful developments which could further improve the robustness of Governance arrangements. There was a detailed discussion on the appropriate use of Key Performance Indicators for Governance Effectiveness and it was:</p> <p><b>Resolved:</b></p> <p>That the report should be accepted.</p>
A/15/6/86	8.4	<p>Internal Audit Progress Report</p> <p>David Fletcher spoke to this item. It was noted that good progress had been made with a fast turnaround of reports. Members of the Committee further noted that the key sector issues and their impact upon the College which were significant in framing the audit plan for the forthcoming year had also had an impact in the current year.</p> <p>It was:</p> <p><b>Resolved:</b></p> <p>That the report should be accepted.</p>
A/15/6/87	8.5	<p>Internal Audit Strategy 2015/16 – 2017/18 incorporating the Annual Plan for 2015/16</p> <p>David Fletcher spoke to this item. He reiterated that the report was cognisant of a number of factors, these included the recent activity within the College and the sector generally, the recognition of the changes in the College and the requirement for the Committee to provide reasonable assurance to the Governing Board of the adequacy of the assurance framework.</p> <p>It was felt that the reduction in Audit Days was appropriate and that although the timing of some aspects needed to be considered as the year progressed, the Committee was able to support the plan as outlined.</p> <p>It was:</p> <p><b>Resolved:</b> that the Strategy should be noted and the Annual Plan for 2015/16 should be approved.</p>

<b>A/15/6/88</b>	9	<b>ANNUAL CYCLE OF BUSINESS</b>  Annual Cycle of Business and programme of meetings. The Clerk spoke to this item and with the Committee noting a minor variation in the timing of one item.  It was:  <b>Resolved:</b>  That the Cycle of Business be approved.
<b>A/15/6/89</b>	10	<b>STATEMENT OF ACCOUNTING PRACTICE</b>  David Reeve spoke to this report. He explained that it was a technical paper which set out revisions to the treatment of certain aspects of the College's accounts to ensure consistency in presentation and compliance with the accounting standard FRS102. Following discussion and subject to the amendment of item 'g' in the report as discussed; it was  <b>Resolved:</b>  That the proposals identified in the report should be approved..
<b>A/15/6/90</b>	11	<b>ANY OTHER BUSINESS</b>  Retirement of Ian Dempsey  The Chair informed members of the Committee that this would be the last meeting attended by Ian Dempsey, who was stepping down as the External Co-optee after 13 years of service to the Committee and the College. The Chair spoke of the invaluable contribution made by Mr Dempsey and in expressing his personal thanks, and that of the Committee, wished him well in the future and hoped that he would maintain links with the College.  Appointment of an External Co-optee  The Chair apprised members of the Committee that he had earlier that day met with Pauline Hunter, who was a Finance Manager at the University of Salford with a view to her taking up the role of external co-optee for the Committee. He was very pleased to recommend her for the role and following a unanimous vote in favour:  It was:  <b>Resolved:</b>  That Pauline Hunter be appointed as the External Co-optee to the Audit Committee.  ***  <div style="text-align: right;"><b>Action : Clerk</b></div>
<b>A/15/6/91</b>	12	<b>DATE AND TIME OF NEXT MEETING –</b>  Provisionally scheduled for Thursday 3 <sup>rd</sup> December 2015  <div style="text-align: center;"><b>The Chair declared the meeting closed at 6.42 pm</b></div>