

## **Minutes of a meeting of the Audit Committee held on Thursday, 1<sup>st</sup> May 2014 in Room FO30 of the College.**

Present: Andrew Oldham (Chair); Norma Boyes; Sarah Farquhar; Sarah Graham ; Phil Jardine

Apologies: Chris Nattress

Also present: Jane Murray, Clerk; Lindsay-Anne Straughton, Internal Auditor (Baker Tilly; Daniel Braithwaite, Assistant Principal, Curriculum Operations

### **01/14 Minutes**

**Agreed** – that the minutes of the meeting held on 25<sup>th</sup> November 2014 be agreed and signed as a correct record.

### **02/14 Declarations of Interest**

None received.

### **03/14 Lean Process Review Update**

The Assistant Principal Curriculum Operations reported on the Enquiry to Enrolment lean process review. It was felt that this had been a very helpful project for which ownership rested with those involved. As a result marketing activity had been streamlined, interviews and open evenings had evolved and summer activity had kept the interest alive. Analysis so far had been positive.

Asked, given the success of the project, whether this good practice was being replicated elsewhere, it was felt that it was being rolled out through the retention strategy and the teaching and learning active strategies. The learning from the 'lean' process review has been utilised in other forums and will be used as a tool going forward.

### **04/14 Internal Audit: Health and Safety Report**

The internal auditor reported that their opinion was that the Board could take substantial assurance on the controls in place. As part of their work they had looked at the Health and Safety Policy and the Statement of Intent; they had tested compliance of policies and monitoring reports and they had undertaken lesson observations of joinery and brickwork.

The Committee noted that the audit had arisen owing to an incident last year, which had given rise to some concern with respect to a particular department and health and safety.

The Deputy Principal noted that external training had been organised for all managers; that health and safety was continuing to feature highly on the agenda of team meetings and that while it was felt that there was some way still to go, the focus continued to be on health and safety. It was added that any breaches of health and safety were also being picked up through learning walks.

With 32 incidents this year for students, it was recognised that there was still a need to reduce this number and it was noted that there was encouragement to report near misses. Nonetheless, the committee expressed compliments on the work achieved so far.

#### **05/14 Internal Audit: Sub-contracting**

The internal auditor noted that this was a 'green' report offering substantial assurance. Some suggestions had been made to re-organise some of the good practice carried out to even better effect.

Noting the strengths of the manager in that area, it was asked what succession plans were in place and the Committee were offered some reassurance that HR were looking at the resilience of each area and that there were other staff under the manager who knew the processes.

#### **06/14 Internal Audit: Progress Report**

It was noted that the two remaining audits were currently being carried out and would be reported in June, along with the internal audit annual report. Before her departure, the internal auditor confirmed that there were no issues that she wanted to discuss with the Committee without staff present.

#### **07/14 Audit Tracking Report**

Progress being made on audit recommendations were noted. It was requested that the recommendation at 3.1 on Firewall management should not be closed off until the outcome of the capital bid process was known.

The Chair asked that further checks were made to ensure that the bank reconciliations were being signed off as had been agreed.

#### ***The internal auditor withdrew***

#### **08/14 Internal and External Auditors – in confidence**

The Chair, who had been present at both tenders, reported that the internal auditors selected by the joint tender with Kendal and Furness Colleges had been Icca, who had their origins in the Tenon organisation. They only worked

in the FE sector and the particular strength of their bid had been the value which they could add to the process.

The external auditors who had been selected were Armstrong Watson, on the grounds of cost and their proposed approach.

Overall, savings of around £1,500 on previous costs had been achieved.

**Agreed** – that the appointments be recommended to the Corporation.

#### **09/14 Internal Audit Plan 2014-15**

The Committee were invited to contribute ideas for the audit plan for 2014-15, taking account of any areas that arisen during the year and the risk register.

The following ideas were submitted:

**Growth Strategy:** whether the appropriate planning processes were in place, given local competition and tight funding climate, and whether the planning and processes were in place for the 'responses' such as academy sponsorship and the advanced offer. It was also felt that a post-investment appraisal of the construction centre could be part of the analysis of the growth strategy.

**Sustainability:** This was more about the sustainability of the college and its place in the community. It could cover staffing (succession planning; talent management); partnership working and community engagement/role (including ideas re public value statement).

**Apprenticeship reform:** Could look at the college's readiness for the changes and how it was managing risk and maximising opportunities.

It was also noted that there was a willingness to consider any joint audits with Furness and Kendal Colleges.

It was noted that arrangements would be made for the new auditors to attend the next meeting to discuss their suggestions in more depth.

**The meeting closed at 1815h.**