

Minutes of a meeting of the Audit Committee held on Monday, 13th February 2017 at 5.00pm in the Executive Boardroom of the College.

Present: Andrew Oldham (Chair); Norma Boyes; Sarah Graham; Sarah Farquhar; Claire Madden

Also present: Karen Wilson (Deputy Principal); Lyn Carroll (External Auditor); Mark Ashton-Blanksby (Internal Auditor); Jane Murray (Clerk)

01/17 **Minutes**

Resolved – that the minutes of the meeting held on Monday, 21 November 2017 be agreed and signed as a correct record.

02/17 **Declarations of Interest**

The auditors would withdraw during discussion of the expiry of their current contract.

03/17 **Internal Audit: Performance Management**

The internal auditor reminded the committee that this had been a key strand of the inspection report. The purpose was to consider the revisions that had been made to the performance framework and the auditor was able to give reasonable assurance that the areas of the control environment tested are operating effectively with no significant weaknesses. There were three medium recommendations and 1 low recommendation.

The auditors felt that staff training of the revised framework, for which there was drop in session, should have been mandatory session given that only 50% had attended. It was noted by management that all staff had been informed of the changes through quality updates and that more sessions had been delivered/were planned.

The auditors had felt that progress against targets was inconsistently recorded, however, the timing of the review had impacted as some progress would not have been expected to be recorded until December.

The third medium recommendation was about the consistency of the performance and development plans and this was being addressed by training.

The low recommendation had been around an in-year review of the revised framework.

The Committee did feel that it felt too early in the cycle to have carried out the review, but accepted that with Ofsted re-inspection, it had been necessary to complete sooner rather than later.

Asked why only 50% had attended the drop-in session, it was reiterated that it was not a mandatory session, but that as of January 92% had no attended.

It was felt overall that the process was moving in the right direction, and that the Committee looked forward to monitoring progress through the action plan. It was asked whether, where possible, targets could be added to actions.

04/17

Internal Audit: English and Maths Strategy

This had been a positive report, offering substantial assurance with one medium recommendation. It had sought to establish that the students were studying the correct qualifications and that there was compliance with EFA funding rules. It was stressed that the auditors had focused on processes and procedures and could not audit any quality of provision.

It had concluded that there were good initial assessments for English and maths, the enrolment process/planning was good and noted that with attendance of over 80%, this was a strong performance for the sector.

The recommendation centred on two forms where residency had not been confirmed on the form. The procedures, which should have prevented this error, would be re-emphasised.

Overall, it was felt that this was a very positive report and that the Committee's thanks should be passed on to those involved.

05/17

Compliance with the Prevent Duty

To ensure that the College was complying with its legislative responsibilities, compliance with the prevent duty was tested as part of this audit. The internal auditors were able to offer substantial assurance and made two low recommendations.

It was noted that senior staff and governors had all attended training, but two staff on probationary period and one other member of staff had not completed training. It was recommended that mandatory training be included as part of induction training and a zero tolerance approach adopted. The Deputy Principal was able to confirm a 100% of staff had now completed their training. The second low recommendation was to sample students through surveys to test their understanding, which was accepted.

06/17 **External Auditor: Sub-contracting**

A requirement of the Skills Funding Agency, the external auditor had carried out an assurance audit on Sub-contracting, which concerned SFA funding rules; Financial Memorandum; Contracts and conditions of funding. All the contracts were considered and there were no issues arising. The external auditors were able to issue an assurance which was forwarded to the SFA.

07/17 **Audit Tracking Report**

eTrackr – it was noted that there had been a good deal of work to ensure data was accurate, aided by the 6 week review of progress. This recommendation would continue to be left open.

Consideration was still underway of a means of electronic signatures, which would be cost effective and would work with revised systems.

Other actions had been previously discussed.

Before closing the meeting the Chair confirmed that there were no issues that either the internal or external auditor wished to raise with the Committee without staff present.

The internal and external auditors withdrew.

08/17 **Confidential Session**

Resolved – to move into confidential session.

09/17 **Re-appointment of Auditors**

The Committee discussed the re-appointment of the auditors and were happy to recommend their re-appointment subject to confirmation of their fees.

The meeting closed at 6.20pm.