

<p style="text-align: center;"><b>Minutes of the Risk &amp; Audit Committee Meeting Held on Tuesday 7 October 2014 – Staff Room Area</b></p>
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**Present:** Bob Gildie (Chair)                      Alex Dobinson                      Linda Maynard

**In attendance:** Bruce Balicki                      Theresa Cope                      Paul Goddard  
(DP Finance & Resources)                      (Clerk to the Corporation)                      (Scrutton Bland)

John Revill                      Nick Spenceley  
(VP Information Systems)                      (Principal)

**Apologies**                      Chris Humpage

The meeting commenced @ 10:15am

**01/14 Apologies for Absence**

**Action**

The apology was received and noted.

**02/14 Eligibility & Quoracy**

All members were eligible and the meeting was quorate.

**03/14 Declaration of Interests**

No declarations of interests had been received.

**04/14 Election of Chair & Confirmation of Committee Membership for 2014/15**

LM nominated, which was seconded by AD, RG as the Committee Chair.

**RG was duly elected Chair for the 2014/15 academic year.**

The Audit Committee membership for the 2014/2015 academic year was confirmed as four full members. There is currently no external member.

**05/14 Minutes of Previous Meeting (24 June '14) & Matters Arising**

The minutes of the previous meeting held on 24 June '14 were agreed and signed by the Chair as an accurate record.

There were no matters arising.

**06/14 Report of Actions taken by the Chair on behalf of the Corporation**

There were no actions to report.

**07/14 Principal's Report**

NS explained that a brief report had been tabled in the Committee papers, due to the fact that the Ofsted inspection was imminent, and he would therefore provide the Committee with a comprehensive verbal update.

- **Enrolment 2014/15**

The College had always anticipated difficulty in recruiting to target and current figures indicated a shortfall overall. Late enrolments were still being received and will be concluded by the end of this week (10 Oct).

- **Funding Audit**

A full SFA audit of both SFA & EFA funding was recently carried out. No significant issues have been raised. There is to be no funding clawback with regards to Employer Responsive although some recommendations have been made. **A copy of the final report will be made available to the Committee when received.**

TC

- **2013/14 Outcomes**

These were very encouraging. A full report was available to the Corporation (refer to Paper B, Standards Committee 30 Sept & Paper A, Special Corporation 7 Oct). The College has made significant progress with a 3% increase in success rates compared to an increase of just 2% between 2009/10 & 2012/13. There has been a significant increase in Value Added (VA) for which full details could be found in the paper(s) above.

- **Plan 15**

Early planning for student recruitment is imperative and forecasts are to be completed by Christmas 2014. Plan15 will be built around an affordable curriculum delivery model.

#### **08/14 Risk Management Report**

BVB presented details of the College's Risk Register in a summary format with risks colour coded in a RAG format from 'High' risk (Red) to Low risk (Green).

**The Committee agreed that this was a useful way of presenting the Risk Register**

Five business critical risks were highlighted and discussed.

(NS left the meeting @ 10:49am).

A full Risk Register is to be presented to the Committee at the December 2014 meeting.

Several risks were queried and discussed.

(NS re-joined the meeting @ 11:00am)

#### **09/14 Internal Audit Recommendation Follow-Up Report**

BVB gave a verbal report on the progress made against the audit recommendations contained within the report. There were a total of 15 recommendations with 13 having been implemented, 1 that had been deferred and remained ongoing and 1 that remained outstanding.

An updated report will be presented to each meeting and the Committee agreed that they would like the responsible officers to attend future meetings to provide relevant

updates & feedback.

#### **10/14 Risk & Assurance Annual Report 2013/14**

The report prepared by Internal Audit (Scrutton Bland) was tabled and discussed. The opinion for the year ended 31<sup>st</sup> July 2014 is that the College:

- has adequate & effective risk management processes
- has adequate & effective governance processes
- has adequate & effective control processes

The Committee noted the points highlighted in the report related to Risk Management, Capital Projects and Governance.

**The Risk & Assurance Annual Report 2013/14 is to be referred to the Corporation, at the meeting on 9 December 2014, for information.**

#### **11/14 Internal Audit: Assurance Strategy & Annual Plan 2014/15**

The report prepared by Internal Audit (Scrutton Bland) was tabled and discussed.

The Committee is to decide on whether audit work requires to be undertaken in the following areas during the 2014/15 academic year:

- Assurance Mapping
- Risk Management
- Governance
- Efficiency, Economy & Effectiveness (3 E's)
- Finance
- Follow-up
- Compliance audits
- Other (H&S, Safeguarding, IT & HR)

The report, at page 4, gave a comprehensive overview of each of the above areas, noting that a full follow-up audit of Governance was carried out in 2013/14 with adequate and effective processes found to be in place.

**The 2014/15 Audit Plan** contained in Appendix A, **was**, subject to identified changes, **approved.**

#### **12/14 Self-assessment Questionnaire**

Whilst not new, this was the first time that the Committee had seen this document. BVB advised that the questionnaire was completed to assist the external auditors in planning their annual regularity audit. Changes had been made this year following guidance from the Association of Colleges (AoC) in that the document must now be signed by the Chair of Corporation as well as the Principal.

There was nothing in particular to be brought to the Committee's attention and the Committee was asked to recommend the document to the Chair of Corporation for signature.

It was noted that there had been no incidents of fraud or whistle-blowing, which should be reported directly to the Chair of Committee. The Studio School was not considered to be a subsidiary.

**The document was recommended to the Chair of Corporation for signature.**

**TC**

**13/14 Terms of Reference for Audit and Risk Committee**

The terms of reference were tabled and reviewed.

The Chair noted that the ToR did not refer to the requirements of JACOP 2 and requested that TC **revise these to include appropriate references to paragraphs 23 to 26 of that document. Revised ToR to be tabled at the next meeting for review (Dec '14).**

**TC**

The Chair also requested that TC look to recruit an external member to the Committee membership.

**TC**

**14/14 Sector update: Guidance on VfM strategies & reporting**

The document was for information purposes and to draw Committee members' attention to their obligations towards VfM.

PG gave an overview of the content and whilst the document was aimed towards HE provision, there were FE equivalents contained therein.

**15/14 Urgent AoB**

There were no items of AoB for consideration

**16/14 Confidential matters**

There were no confidential matters for consideration.

**The meeting finished at 11:58am**

**The next meeting will be held on Tues 2 December 2014.**