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MINUTES
AUDIT & RISK ASSURANCE
COMMITTEE
5pm, WEDNESDAY 29TH MARCH 2017

Present: Tracy Irwin Chair
David Schofield External Governor
Roz Stewart Support Staff Governor

In Attendance John Smith Deputy Principal for Finance and Resources
June Fielding College Accountant
Zee Walker Director of Planning & Performance
Mark-Ashton-Blanksby ICCA (Internal Auditor)
Karen Johnson Acting Clerk

APOLOGIES FOR ABSENCE

A/17/01 All members and officers were in attendance.

DECLARATION OF INTERESTS

A/17/02 The Chair reminded Governors of the requirement to declare their interests in any agenda items. For any such declaration Governors may not be eligible to speak or to vote on the matters under discussion.

EQUALITY & DIVERSITY & HEALTH & SAFETY

A/17/03 The Chair reminded Governors of the College's commitment to equality and diversity and the need to consider these issues along with health and safety in all Committee business.

MINUTES

A/17/03 **Resolved** the minutes of the meeting held on 24th November 2016 be **approved** as a correct record and signed by the Chair.

MATTERS ARISING/ACTIONS

A/17/04 There were no matters arising or actions from the previous meeting.

INTERNAL AUDIT REPORTS

The Internal Auditor, Mark Ashton-Blanksby, ICCA, presented the internal audit reports which had taken place over the period since the last Audit Committee. The Committee were reminded that there were a greater number of reports than normal due to these being prioritised over the previous term bearing in mind this was an opportune time after date of merger.

A/17/05 **COMMERCIAL INCOME**

Outcome of the audit: Provides Substantial Assurance.

6 low priority recommendations. An overview of each recommendation was provided.

A/17/06 **SUB CONTRACTING CONTROLS**

The Committee were advised that the College currently works with two sub-contractors. There were some issues and recommendations identified as part of the audit and were included within the audit report. An overview of these were provided.

- A/17/07 **FINANCIAL CONTROL – CATERING OPERATIONS**
Reasonable Assurance overall
Audit of the processes and controls across both sites. There were some issues identified as part of the audit and an overview of these were provided. Three high priority recommendations were made as a result of the audit which were outlined within the report and an overview provided by the internal auditor.
- A/17/08 **HEALTH & SAFETY**
Reasonable Assurance overall.
Focus on roles and responsibilities across both sites, policies and procedures, training and development. Four recommendations made: 2 x medium and 2 x low. An overview of these was provided within the report and outlined by the internal auditor.
- A/17/09 **LEARNER RECORDS & FUNDING**
Substantial assurance overall. Two medium level recommendations were made and an overview of these were provided within the report and outlined by the internal auditor.
- A/17/10 **SAFEGUARDING INCLUDING PREVENT**
Reasonable assurance overall. An outline of the recommendations were made. It was suggested that due to the high priority of Safeguarding that an overview of this report and progress against recommendations is provided to the next Board meeting. **Action: The Director of Young People’s Learning to provide a progress update to Board.**
- A/17/11 The Committee **noted** the internal audit reports.

RISK MANAGEMENT REPORT

- A/17/12 The Director of Planning & Performance presented the Risk Management Report and outlined the key movements within the risk register. The Committee were provided with a summary of the key risks and the inherent risk position and the current assessment of the effectiveness of the risk controls.
The appetite for each of the risk areas was also provided, as well as the profile of risk controls in place to mitigate the risks and sub risks and were advised that of the 72 risk controls, 54 are graded good or better with none scoring less than satisfactory. The Internal Audit raised that Apprenticeship Levy should factor within the Risk Register. **Action: The Director of P&P to include this risk within the College risk register**
- A/17/13 The Committee **noted** the report

ANNUAL AUDIT OF INTERNAL AND EXTERNAL AUDITORS

- A/17/14 The DP F&R raised that for the future, due to the work already being carried out by External Auditors on the financial year end accounts, this decision should be taken to the Committee during the Autumn term, to allow for the reappointment to take place before the preparation commences for the financial accounts.
- A/17/15 The Committee **agreed** to appoint KPMG as external auditors for a period of 12 months with future approval being brought forward to the Autumn term.

A/17/16 The Deputy Principal F&R advised that that he recommends the ICCA be reappointed as internal auditors for a further period of 12 months by having an extension to their existing contract, this will bring us in line with the other Cumbrian colleges, who have also appointed ICCA for an additional 12 months. The DPF&R reminded the Committee that previously the Cumbrian colleges had tendered at the same time and appointed the same internal audit company. By deferring the decision for a further period of 12 months this allows us to reconsider as the same time as the other Cumbrian colleges.

A/17/17 The Committee **approved** the reappointment of the External Auditors for a period of 12 months.

A/17/18 The Committee **approved** the reappointment of the Internal Auditors for a period of 12 months.

ITEMS FOR THE NEXT AGENDA

A/17/18 No items were raised.

CONFIDENTIALITY

DATE OF NEXT MEETING

A/17/19 The next meeting was scheduled for **Thursday 22nd June 2017**

MINUTES APPROVED	
Signed _____	Tracy Irwin, Chair of Audit & Risk Assurance Committee
Date _____	Subject to Amendments / No Amendments

ACTIONS

Progress update to be provided to Board regarding the recommendations raised from the Internal Audit of Safeguarding & Present	Director of Young People’s Learning	
Risks for the college around implementation of the Apprenticeship Levy to be included in the College Risk Register	Director of Planning & Performance	