

## Minutes of the Audit and Assurance Committee Meeting

held on 8 March 2016

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*Present:* Andrew Hanson (*Chair*), Mark Johnson (*Vice Chair*), Peter Mitchell

*In attendance:* Jacquie Carman (*Director of Finance and Corporate Services*)  
Jane Butterfield (*TIAA*)  
Jennifer Sunter (*Clerk to the Corporation*)

### 1 Apologies

Apologies were received on behalf of Claire Malone, Keith Bate, Paul Oxtoby and Peter Harrison.

### 2 Declarations of Interest

There were none.

### 3 Minutes of the Audit and Assurance Committee Meeting held 10 November 2015 and Matters Arising

The minutes of the meeting held 10 November were approved as a correct record.

Under actions from meetings it was noted that the remaining action regarding the Health and Safety Assurance Update, from the minutes of the meeting March 2015, had remained pending due to the scheduling of the British Safety Council 5\* Audit which was being addressed in April 2016.

### 4 External Auditor

#### 4.1 Assessment of Performance Indicators for 2014/15

Jacquie Carman outlined the process for assessing External Audit Performance. The evidence provided supported the findings of strong performance by External Audit, with no concerns.

It was recommended that there be no change to the indicators for 2015/16.

Mark Johnson asked if there was resolution regarding FRS17 disclosure on pensions and Jacquie Carman explained that there would be changes regarding the reporting mechanism, however the underlying causes remained.

**The Audit and Assurance Committee received the Assessment of Performance Indicators 2014/15 Report regarding External Audit and approved that there be no changes at present to Key Performance Indicators for 2015/16.**

## 4.2 Engagement Letter

The Audit and Assurance Committee received the External Audit Engagement Letter between RSM UK Audit LLP and Halesowen College, as provided in a standard format.

## 5 Review of Disaster Recovery Plan and Major Incident Policy

The annual review of the Disaster Recovery Plan and Major Incident Policy had yielded a number of changes, which Jacquie Carman outlined for the Committee. Changes included references to where other organisations were affected, incidents where all of the College campuses could be affected and evacuations relating to bomb threats.

Mark Johnson recommended the support on offer from local authorities. Jacquie Carman commented on Dudley Metropolitan Borough Council's plan and noted that where the emergency services were engaged they would take control.

The use of social media as the most productive way to communicate information to students quickly, was also noted.

Mark Johnson and Peter Mitchell asked about CCTV. Jacquie Carman explained that there were updates being addressed over the College Easter break. The College had very clear procedures in line with data protection and legal compliance.

**The Audit and Assurance Committee received the updated Disaster Recovery Plan and Major Incident Policy noting the training that had been conducted in the year, the links to the risk assessment framework and the College's responsibility under Prevent and wider safeguarding measures, as good practice.**

## 6 Risk Management – Mid-Year Update 2015/2016

The formal mid-year review of the risk management process had been undertaken with no new risks identified, however, digital risks had been widened including the Digital Learning Strategy.

Key themes were summarised and included increased complex student needs.

Good progress against the action plan was reported.

Mark Johnson asked about risks and future assurance regarding payroll services. Jacquie Carman outlined the historical context and the processes that the College had undertaken to appoint replacement service providers for Finance, Payroll and Human Resources systems. Problems with the payroll services had required address through College staff. Subsequently an alternative provider for payroll services had been appointed and TIAA were scheduled to audit the transition process.

Mark Johnson asked about the College and development of shared services and risk, flagging early consideration of the impact on current service provision. Jacquie Carman responded that the College had not yet advanced this far forward, however current services were provided under contract.

**The Audit and Assurance Committee received the changes to the risk register and noted progress against the action plan.**

**7 Anti-Fraud Self-Assessment Checklist**

No sources of concern had arisen from the annual self-assessment regarding the risk of fraud. Increased external threats were recognised, particularly that of cyber fraud, on which staff training had been provided. Inherent risk to payroll was also noted, with an internal audit by TIAA scheduled for summer 2016.

The Audit and Assurance Committee received the Anti-Fraud Self-Assessment.

**8 Internal Audit Report**

Assurance Report on Staff Expenses Scheme.

Jane Butterfield reported that the overall assessment of the Staff Expenses Scheme was that of substantial assurance. All claims were scrutinised and appropriately authorised. The level of expenditure was not material and nothing was found that warranted further investigation.

**The Audit and Assurance Committee resolved to accept the TIAA internal audit report on Staff Expenses Scheme, noting the substantial assurance provided with no recommendations.**

**9 Audit and Assurance Mid-Year Update**

Jacque Carman reported on progress against the agreed audit and assurance framework of work for 2015/2016. With regard to the student satisfaction survey undertaken in February 2016, feedback was awaited from the Customer Service Excellence assessment consultants.

There were no concerns arising from assurance work undertaken.

The Audit and Assurance Committee received the mid-year update.

**10 Any Other Business**

There was none.

**11 Date of Next Meeting**

The next meeting is scheduled for Tuesday 7 June 2016 at 9.15am.

Closed: The meeting closed at 9.55am

**Actions from meetings**

**Audit Committee Meeting 17 March 2015**

<b>11a</b>	<b>Health and Safety Assurance Update</b>  It was agreed that an update report would be provided for the Audit Committee in June 2015.  Updates: <ul style="list-style-type: none"><li>■ 10 November 2015, it was noted that an update report remains pending.</li><li>■ 8 March 2016, it was noted that this will be addressed following the British Safety Council 5* Audit being conducted in April 2016.</li></ul>	JCa
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