

Minutes of the Audit and Assurance Committee Meeting

held on Tuesday 23 August 2016

Present Mark Johnson (*Vice Chair*), Peter Mitchell, Claire Simmonds

In attendance Keith Bate (*Principal*)
Jacquie Carman (*Director of Finance and Corporate Services*)
Paul Oxtoby (*RSM UK Audit*)
Jane Butterfield (*TIAA Ltd*)
Jennifer Sunter (*Clerk to the Corporation*)

1 Apologies

Apologies were received on behalf of Harvey Owen.

2 Declarations of Interest

There were none.

3 Minutes of the Audit and Assurance Committee Meeting held 7 June 2016 and Matters Arising

The minutes of the Audit and Assurance Committee Meeting held 7 June 2016 were approved as a correct record.

The Clerk noted that under matters arising, the British Safety Council Five Star Audit was addressed under the agenda. With regard to item 8 of the minutes, the Audit and Assurance Plan had been reviewed following completion of the Risk Management review process and as no changes were identified the plan had not required revision.

4 Risk Management Report

Jacquie Carman summarised the approach and outcomes of the College's risk management review process which included analysis, rating and actions to be taken. Key themes were highlighted, as was a stabilised risk score, with an overall balanced approach recommended on going forward.

Peter Mitchell and Mark Johnson asked about risks and assurance reporting related to the development of Shared Services and the Multi Academy Trust. It was noted that while these were subject to their own board and audit arrangements, the Audit and Assurance Committee of the College had a role to play in oversight of the relationship. Jacquie Carman highlighted that though these were separate legal entities in development, that there would be clarity through accounting reports and financial memorandum. Paul Oxtoby noted that both process and outcomes could be monitored.

Peter Mitchell further asked about staff awareness of developments. Jacquie Carman explained that staff affected by Shared Services were being consulted.

Action It was agreed that research be undertaken regarding appropriate assurance reporting for the College regarding both Shared Services and Multi Academy Trust arrangements.

The Audit and Assurance Committee resolved to recommend to the Corporation approval of the Risk Management Report, accepting the identified net risks outside the risk appetite and approval of the Risk Action Plan 2016/2017.

5 Audit Reports

5.1 Payroll and HR Systems – TIAA

Jane Butterfield reported that the review of Payroll and HR systems had focused on service level agreements, policies and systems and that overall substantial assurance was provided, with no audit recommendations given.

Mark Johnson asked if late payments were an issue. Jacquie Carman explained that under the new system it was still possible that occasional late payments may arise, however the procedures were sound.

5.2 Student Records Audit – ICCA

Jacquie Carman confirmed that the specialist audit work undertaken by ICCA had been thorough and had provided useful recommendations, many of which had been addressed.

Peter Mitchell and Claire Simmonds asked about remaining actions and exposure. Jacquie Carman responded that errors arose from the large amount of data addressed in student records and that these were not systematic errors. Paul Oxtoby noted that the error rate was substantially less than that of other providers.

The resolved to accept the TIAA internal audit report on Payroll and HR Systems, noting the substantial assurance assessment and no recommendations.

The Audit and Assurance Committee further resolved to accept the ICCA Final Advisory Report 2015/16 Student Records Audit, noting the overall conclusion of an adequate control framework and four action areas for improvement with management agreement.

6 Health and Safety Assurance Audit - British Safety Council Five Star Audit

Jacquie Carman reported on the College's achievement of a Four Star rating under the recent British Safety Council Five Star Audit process. Key strengths included 'clear leadership and commitment from senior management'. Areas for improvement had been converted into an action plan to be monitored by the Audit and Assurance Committee.

Mark Johnson asked about any actions prioritised as red. Jacquie Carman explained that the recommendation of a documented procedure for change management had been questioned by the College, however, consideration would be given regarding an appropriate model.

Members further discussed evidencing consideration of Health and Safety and the importance of the College's focus on Safeguarding within its approach.

Assurance was taken that strategic drive for Health and Safety was a strength.

The report was received.

7 Any Other Business

There was none.

8 Date of Next Meeting

The next meeting of the Audit and Assurance Committee is scheduled for Tuesday 8 November 2016.

The meeting closed at 10am