

**Minutes of Norton Radstock College Audit Committee Meeting  
held on Tuesday 6 July 2010 at 5.30pm**

<b>Present:</b>	Mr M Suddaby (Chair)	MS
	Ms S Barter	SB
	Mrs J Clifford	JC
	Mr R Wynn-Jones	RWJ
<b>In Attendance:</b>	Mr J Holland (Clerk)	JH
	Mr R Richards (RMS Tenon Group)	RR
	Ms K Williams (RMS Tenon Group)	KW

**1. Apologies for absence**

Apologies had been received from Alun Thomas and Shirley Arayan who is usually in attendance.

**2. Minutes of meeting held on 2 December 2009 for approval**

The meeting unanimously agreed to approve the Minutes.

**3. Matters arising**

A12091

JB discussed the feedback with KW.

A12092

This audit was shelved as assurance was taken from the PFA at Inspection within this area.

A12093

Encryptable memory sticks are in use.

Any other matters arising

Upon query, JB clarified that she had recently had a meeting Barclays Bank who had proposed a revised loan covenant regarding cashflow which would make compliance more straightforward. This would be taken to MARG and Governors meeting.

**Action: JB A7101**

**4. Internal Audit Reports for information**

a. HR including recruitment selection and payroll

The Report was noted with the one merits attention recommendation which had been accepted and with the report giving substantial assurance.

It was queried if the staff ratio of 118 teaching staff (FTE) to 107 non teaching staff (FTE) was unusual. JB confirmed that this had not been found to be out of line in benchmarking exercises. Also, non teaching staff included assessors and the College operates a day nursery.

b. Student retention and recruitment

The report was noted with substantial assurance for all areas apart from effectiveness of control framework which has adequate assurance with five merits attention points which have been accepted by College Management.

The recommendation on merging two systems may not be possible due to cost, but a potential solution is being investigated. This point only had a merits attention recommendation and a shared system would increase the number of users able to access it. The part of the process that had been identified as hard to track, was the student application to student enrolment section.

c. IT and Business Continuity Planning

The report provided substantial assurance with 1 significant recommendation and 2 merits attention which had been accepted. The significant recommendation concerning that the business continuity plan is tested on at least an annual basis. This has been delayed due to Inspection and would be carried out over the summer. JB pointed out that the recovery following a chimney collapse at Ellsbridge House had tested the College's systems and KW said that the heavy snow earlier in the year had also done so.

d. Learner Support Fund, Adult Learners Grant and Education Maintenance Allowance

This report had been emailed to members and hard copies were circulated. College Management had been keen to have an Audit of the Learner Support Fund due to the large overspend this year. The report provided substantial assurance with two merit attention points which have been accepted by College Management.

e. Follow up of previous Internal Audit recommendations

All recommendations had been actioned which has always been the case at the College.

f. Internal Audit Progress Report

This report updated the Committee on the progress of the audit work undertaken and contained several client briefings. The meeting noted that following the good Governance Risk Management report for the PFA at Inspection, this time was reallocated to the report in section d. above.

From the clients briefings, a lengthy discussion took place on CRB checks and safeguarding. An updated Contractors on Site Policy is going to Governors for approval at the next meeting. It is likely that a written statement will be required from Auditors that their staff have been CRB checked.

The meeting thought that the Independent Safeguarding Authority had been put on hold which offered transferable declarations.

JB brought to the attention of the meeting the client briefing on pages 79-82 on Audit Code of Practice which detailed the principle 'one learning provider, one funding assurer'. In the College's case, this will be the Skills Funding Agency via the PFA team.

g. Updated Strategy for Internal Audit 2010/2011

Following discussion with College Management, the following plan was proposed:

Curriculum planning and staff utilisation	14 days
Learner numbers system	4 days
Follow up	2 days
Audit management	3 days
Contingency	1 day
Total	<u>24 days</u>

The meeting has some concern that 14 days were being taken up on one theme but College Management viewed it as essential to get assurance that both curriculum planning and staff utilisation were operating effectively in the current economic climate.

If thought necessary, an additional three days could be added to cover Financial Controls in 2010/2011. The meeting was also concerned to ensure that Safeguarding and Equality and Diversity continue to operate effectively. The meeting agreed to approve the plan as presented but a detailed review is needed each year to ensure audit work tackles the correct current needs.

5. **Provider Financial Assurance Report March 2010 for information**

The meeting noted the report and was pleased with the overall grading of Good. The actions in this report are incorporated into the Audit Action Plan.

6. **Report on Risk Management for information**

JB explained that this report had been sent to the last Governors meeting with some of the timetable dates delayed due to Inspection. It clarified the role of Governors in the risk management process.

The meeting noted the emerging risks in the report with the delays in knowing what curriculum will be funded now being transferred to the top ten risks.

JB explained the original matrix and current risk matrix, explaining that some risks had worsened after identification.

Governors queried if there was enough reference to retention in the risk register. JB agreed to look into this.

**Action: JB A7102**

JB clarified that the template being used for recording risks originally came from the LSC and this format was used by Covalent.

Upon query, KW confirmed that the level of reporting on risk management matched the needs of a smaller college.

The Committee found the report very useful.

7. **Update Audit Action Plan for information**

The plan pulls together all the action from the various reports and the action from the Learner Support Fund report needs to be added.

8. **Dates of future meetings**

In order to improve Governor availability, it was agreed to timetable meetings for the next Academic year as follows, all at 6pm:

Wednesday 24 November 2010

Wednesday 9 March 2011

Wednesday 6 July 2011

9. **Any other business**

There being no further business, the meeting closed at 6.35pm.