



## AUDIT COMMITTEE

### Minutes of Meeting on Monday 26 June 2017

<b>Present:</b>	Mr H Hadani	Chair
	Ms M Moore	Governor
<b>In Attendance:</b>	Mr M Sim	Principal
	Mr H Ravat	Vice-Principal Resources
	Mr R Mansfield	Clerk
	Mr M Ashton-Blanksby	ICCA ETS

Ref.		Action
A/17/10	<p><b>Item 1 – Apologies for Absence:</b> An apology for absence was received from Nelista Cuffy. The meeting was declared quorate. Harnish Hadani welcomed Mark Ashton-Blanksby to the meeting.</p>	
A/17/11	<p><b>Item 2 – Declarations of Interest in Agenda Items:</b> There were no declarations of interest in agenda items.</p>	
A/17/12	<p><b>Item 3 – Minutes of Meeting on 14 March 2017 and Matters Arising:</b> The minutes of the meeting on 14 March 2017 were accepted as an accurate record and were duly signed by Harnish Hadani. The actions listed in the minutes had all been completed.</p>	
A/17/13	<p><b>Item 4 – Recommendation Tracking:</b> Hamid Ravat presented the recommendation tracking report. Most actions were still not due. Those that were due had been completed and the remainder were on track. It was noted that a report on value for money in respect of contracted services should be brought to the Finance, Staffing &amp; General Purposes Committee at its next meeting. Hamid Ravat assured Martin Sim that not only had managers been reminded about the correct completion of learner amendment forms, but there had also been a compliance check. <b><i>The meeting received the recommendation tracking report.</i></b></p>	HR/RM
A/17/14	<p><b>Item 5 – Annual Internal Audit Report 2016/2017:</b> Mark Ashton-Blankley presented the draft annual internal audit report for 2016/2017 that had been prepared by ICCA ETS. The detailed findings from the individual audits had been considered by the Committee at its previous meeting.</p>	

The report contained the opinion of the internal auditors, based upon the work they had undertaken, on the adequacy and effectiveness of the College's framework of governance, risk management and systems of internal control. The auditors had taken into account a comprehensive range of factors relevant to the audit. Their opinion was that the level of assurance was Reasonable (the strongest expression possible within permissible terminology). However the report advised the Audit Committee also to take into account that OfSTED had assessed governance as 'Inadequate' at the last inspection.

Martin Sim expressed his concern that the wording of the references to OfSTED appeared to attach equal weight to the inspection grade and to the auditors' findings (which were very positive). This led to a discussion, continued under item 8, about the relative roles and responsibilities of the Audit Committee and the Standards & Quality Committee when the College was placed at risk through deficiencies in quality reporting systems. Mark Ashton-Blanksley said that he would amend the wording of the annual internal audit report to reflect also the much more positive judgments by OfSTED in the latest Monitoring Visit Report.

***Subject to this amendment the Committee commended the report to the Board.***

**A/17/15**

**Item 6 – Internal Audit Plan 2017/2018:**

Mark Ashton-Blanksby presented the Internal Audit Plan for 2017/2018. This had been prepared in consultation with Hamid Ravat a few weeks earlier. The plan had taken into account risks associated with the various major internal changes that the College was undergoing in the context of the tightening funding regime and an unplanned deficit in the current year. He described the methodology applied and then listed the areas selected for review. Hamid Ravat confirmed that the concerns of the Finance, Staffing & General Purposes Committee that the deficit should be eliminated had been fully taken into account. As there had been no safeguarding issues identified in the current year's audit, the days originally allocated to this area had been reallocated.

***The Committee commended the internal audit plan to the Board.***

**A/17/16**

**Item 7 – Performance of the Committee against Targets for 2016/2017:**

Robert Mansfield said that this item also formed appendix II in the Committee's annual report (see item 8). The Committee had achieved all its targets and he recommended that these should remain unchanged for 2017/2018

***The meeting received the report without discussion.***

A/17/17

**Item 8 – Annual Report of the Audit Committee 2016/2017:**

Harnish Hadani presented the draft annual report of the Audit Committee for 2016/2017. The report covered the membership of the Committee, meetings held, terms of reference, performance against targets, reports from the internal and financial statements auditors, scrutiny of the risk register and other activities. It was agreed that a paragraph should be added to cover consideration of the draft Annual Report of the Internal Auditor. There was considerable discussion about the wording of the statement of assurance. It was concluded that the Committee's concern with the quality problems highlighted in the OfSTED Inspection Report had centred on the risks that had arisen through inadequate quality reporting systems (the systems themselves falling within the remit of the Standards & Quality Committee) and the effectiveness with which these risks had been identified and managed. OfSTED's most recent report contained the judgment that there had been significant progress in addressing the weaknesses in governance and the required actions. The wording of the Committee's opinion needed amendment so as adequately to reflect its consideration of these reports.

***Subject to the changes above, the Committee commended the report to the Board.***

RM

RM/HH

A/17/18

**Item 9 – Date and Time of Next Meeting:**

It was noted that the Committee would probably not need to meet again until early December 2017. The date would be confirmed as part of the planning of the cycle of meetings for 2017/2018.

RM

A/17/19

**Item 9 – Any Other Business:**

There was no other business. Mark Ashton-Blanksby declined the offer of a private discussion without staff present.