



**Minutes of the Audit Committee
held on Thursday 28th June 2012 at 8:00am
in Room 814 at Matthew Boulton Campus**

Present:

Kathryn James (Chair)
Marina Hunt (MH)
Andrew Madden (AM)
Anthony McCourt (AMc)

In Attendance:

Andy Argyle (KPMG) (AA)
Zubair Limbada (KPMG) (ZL)
Louise Tweedy (RSM Tenon) (LT)
Patrick Green (RSM Tenon) (PG)
Catherine Bennett (Clerk to Corporation) (CEB)
Clive Hill (Executive Director Support Services) (CH)
Bob Pattni (Executive Director Finance) (BP)

Apologies

There were none.

Item 1 – Minutes of the Meeting held on 24 April 2012

- 1.1 The Chair led the Committee through the minutes of the meeting held on 15 March 2012 and it was agreed that they were a true and accurate record of that meeting.

Matters Arising

The Clerk confirmed that the minutes had been amended as discussed.

The Chair discussed with management the best time in terms of the Audit cycle for the insurers to come and give a presentation to this committee. It was agreed that the autumn meeting is probably the most appropriate but in terms of time, we need to be mindful that this is a particularly busy meeting. BP agreed to arrange.

In terms of providing comparison of Health and Safety matters with that of other colleges management reported that it is extremely difficult to obtain this information but it may be something that the College's insurers might be able to provide information on. An update would be given at the next meeting.

ACTION:

- BP to liaise with insurers about giving a presentation at the Autumn meeting.
- Management to provide an update on obtaining comparison information relating to Health and Safety matters with that of other colleges.
- Clerk to circulate Autumn KIT programme as soon as possible.

The Clerk confirmed that curriculum planning will be on the autumn KIT session programme as there are a limited number of weeks to cover everything in the summer.

As a general point the Chair asked for as much notice as possible for notification of dates and subjects for KIT sessions going forward. The Clerk said that she would arrange this.

Item 2 – Risk Register

- 2.1 This item was presented by BP. He led the Committee through the Risk Register focusing on the current top ten risks for the College.
- 2.2 The Committee discussed each of the top level risks in detail asking a number of questions to which management provided detailed responses.
- 2.3 The Chair concluded that this was an extremely useful summary and perhaps going forward the grid could be populated to show the shape of the risk profile. BP agreed and stated that in fact since the last audit the KPI reports have been reviewed to see how they fit in with the Risk Register from a strategic perspective.

Approved:

The Committee approved the risk register.

Item 3 – Internal Audit Reports

(i) HR/Performance Management System

- This item was presented by LT. She led the Committee through the internal audit report confirming the assurance and outlining the small number of recommendations going forward.
- The Committee discussed the internal audit report in detail including 360 degree appraisals and the embedding of the new performance management system.

Approved:

Following detailed discussions, the Audit Committee approved the report.

(ii) Strategic and Business Planning

- LT led the Committee through this internal audit report setting out the level of assurance and highlighting the small number of

recommendations going forward. Management reported that this was a very pleasing report and added that this area has been particularly transformed over the past 12 months.

- The external auditors commented on the very pleasing outcome of the report.
- The Chair summarised the view of the Committee which was that the report was very good.

Approved:

The Committee approved the report.

(iii) Learner Record System

- This item was presented by LT who led the Committee through the report.
- The Committee discussed in detail the recommendations made in the report and had a detailed discussion about the work with the learner journey project that is currently taking place.
- The Chair summarised the Committee's view that there is clearly a lot of work taking place in this area.

Approved:

The Committee approved the report.

(iv) Apprenticeship Provision (Business Development Centre)

- LT led the Committee through this report, setting out the level of assurance and the recommendations in the report. The area was discussed in detail by the Committee and management outlined some of the work that was taking place.

Approved:

The Committee approved the report.

(v) ILT Strategy and Advisory Review

- LT presented this report and informed the Committee that it was for note only as it was an advisory review.
- LT outlined the recommendations in the report which management and the Committee discussed in detail.
- The Chair stated that it might be good for Corporation members to see learner feedback in relation to IT. CH reported that management can look at the way feedback is collated and come back to the committee on this point.

- The Chair thanked the internal auditors for their work.

ACTION:

- Management to report back to the Committee on how student feedback is collated.

Item 4 – External Audit Planning Memorandum

- 4.1 This item was presented by ZL. He outlined the purpose of the Audit Strategy and Planning Memorandum for 2011/12 and led the Committee through the document. He gave a detailed explanation in relation to each area.
- 4.2 The Committee asked various questions throughout ZL's presentation, in particular in relation to revenue recognition, student incentives, and sector developments.
- 4.3 The Chair commented on how useful the appendices were and that all Corporation members would benefit from seeing them. The Clerk agreed to arrange.

Approved:

Following detailed discussion, the Committee approved the External Audit Planning Memorandum 2011/12.

ACTION:

- Clerk to upload to Dropbox the appendices to the External Audit Planning Memorandum which provide sector updates.

Item 5 – Any other Business

The internal and external auditors left the meeting at this stage.

Appointment of internal and external auditors

- 5.1 BP presented this item and led the Committee through a presentation which set out the detail behind the tendering and selection process for the role of internal and external auditors of both the College and Harborne Academy. BP added that there was representation from both the College and the Academy on the selection panel.
- 5.2 BP gave a brief summary on how the firms that had tendered had scored. Members asked various questions throughout to which Management provided detailed explanations.
- 5.3 At the end of the presentation, BP confirmed that the successful firms were PwC for internal audit and KPMG for external audit.
- 5.4 Following discussion, the Committee approved the appointment of the internal and external auditors. It was agreed that the new appointments would be for a term of 3 years with a review on a 12 monthly basis.

- 5.5 It was noted that whilst the college and the Academy had already agreed that they would share the same internal and external auditors, for completeness the same presentation would be given to Harborne Academy Audit Committee for information.

Approved:

The Committee approved the appointment of the internal auditors as PWC and the external auditors as KPMG with effect from September 2012 and for both the College and Harborne Academy.

The Chair thanked all those for attending.

The meeting then ended.

Date of next meeting: 27th November 2012.