

CORPORATION OF KIDDERMINSTER COLLEGE

Minutes of the Audit Committee held on Thursday 16th June 2011 at 17.30 hours

A 634 Present Paul Crowley, Chair
Derek Arnold

A 635 Quorum 2

A 636 In Attendance Andy Dobson
Jonathan Grice
Derek Harrison, Director of Resources
Angharad Hale, Clerk to the Corporation
Paul Oxtoby, Baker Tilly
Judith Simpkins, Senior Finance Officer
Louise Tweedie, RSM Tenon

A 637 Apologies Stella Hammond

A 638 Declaration of Members' Conflict of Interests

None declared.

A 639 Minutes of Meeting Held on 24th March 2011

The minutes of the meeting held on 24th March 2011, having been circulated, were agreed and signed by the Chair.

A 640 Matters Arising

i) Internal Audit Report – Performance Management Review

A report entitled 'Organisational Performance Management in Education' was tabled. Attention was drawn to the summary of key findings from the sector. It was noted that the report would be considered further by SMT.

A 641 Internal Audit – Progress Report (RSM Tenon) 2010-11

Details having been circulated, it was noted that the fieldwork has been completed for all areas and reports have been issued with the exception of Staff Utilisation. This will be presented to the next Audit Committee meeting

It was confirmed that no high level recommendations have been made for 2010-11 and all reports have resulted in a positive level of assurance.

Attention was drawn to the client briefing relating to the protection of personal information and fines issued to colleges with unencrypted laptops. It was noted that all colleges were being encouraged to consider their compliance arrangements in relation to new data protection powers.

A 642 Internal Audit Reports

i) Governance & Risk Management

Details having been circulated, it was noted that the comments in the category entitled 'suggestion' are not included as formal recommendations.

The report included 1 suggestion relating to formalising the action plan for addressing the LSIS Review of Governance, and 2 recommendations relating to risk management.

ii) Data Quality

Details having been circulated, it was noted that 1 suggestion had been made and 5 recommendations, 3 of which were low level and 2 medium level. It was confirmed that overall the College data is robust and recommendations are not uncommon in this area. It was agreed that the word 'consider' should be removed in relation to recommendation 1.8 as this was a necessary action.

iii) Follow Up

Details having been circulated it was noted that the College has demonstrated 'good progress', the highest level of opinion. There was just 1 suggestion to be considered.

The Chair noted congratulations to SMT for implementing all recommendations in a timely fashion.

A 643 Internal Audit Plan 2011-14

i) Strategy for Internal Audit

Details having been circulated, attention was drawn to the list of areas to be covered in 2011-12. It was agreed to move the review of HR to April 2012.

Subject to this alteration, the audit programme for 2011-12 was agreed and would be recommended to the Corporation for approval.

ii) Internal Audit Charter

Details having been circulated, it was noted that the document summarised the key role and definition of the audit process. It is not a legally binding document.

The Chair requested that the terminology used in items 4, 5 and 6 were revisited to clarify who is being referred to. RSM Tenon agreed to do so.

No objections were raised from the committee to adopting the Charter.

A 644 Financial Statements 2010/11. External Audit Plan

Details having been circulated, Paul Oxtoby from Baker Tilly was in attendance to discuss the document.

No queries were raised and no issues were identified in terms of the proposed audit timetable.

The External Audit Plan was approved by the committee.

A 645 Risk Management Policy - Revision

Details having been circulated, it was noted that information on the Risk Register and the Risk Plan are now being presented to the Audit Committee.

Roles within SMT have also been updated in the policy. The revised policy was approved by the committee.

A 646 Bribery Act 2010 – Anti Bribery Policy

Details having been circulated, it was noted that once approved, the policy will be included in the Risk Register and Risk Plan. The appendix to the document includes high risk areas that have been identified by management together with actions to minimise risks.

It was noted that the change to the procurement levels had been included in the revised Financial Regulations presented to the Finance & Personnel Committee.

It was agreed to include the phrase ‘appropriately authorised *by the Director of Resources*’ in the third bullet point under Gifts and Hospitality.

Subject to this minor change, the policy was approved by the committee.

A 647 Internal & External KPIs

i) Actual Performance 2010-11

Details having been circulated, it was noted that there whilst the overall grade for the review of staffing was positive, one manager had rated the staff utilisation audit as a 3 (satisfactory). The issues raised will be fed back formally to RSM Tenon. In relation to external audit, the only issue raised related to lack of staff continuity.

ii) Proposed KPIs 2011-12

The same KPIs were proposed and agreed for next year.

A 648 Updated Audit Committee Terms of Reference

Details having been circulated, the additional clauses discussed at the last Corporation meeting, were noted. It was agreed to change the reference to LSC in item 1.8 to ‘funding bodies’.

A 649 Any Other Business

Thanks were offered to Paul Crowley for his time as Chair of the committee, as this would be Paul’s last meeting. Thanks were reciprocated to all involved in the committee.

A 650 Date of Next Meeting

Subject to the Calendar of Meetings 2011-12

The meeting closed at 18.20 hours

Chair _____ Date _____