



Mission Statement: *Inspiring learning, developing character, building futures*

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE

Date: Tuesday 31st January 2017
Venue: The Blackpool Sixth Form College
Room: Committee Room
Time: 4.30-5pm

Present: Mr J Corry (Chair)
Cllr D Clapham
Ms D Taaffe
Ms J Gray (Principal)

Together with: Mr P Haydock (Senior Auditor RSM)
Ms L Gates (Head of Finance)
Ms A Miller (Risk Management Champion)
Ms S Hawitt (FCAT- Governance Administrator)

Apologies: Mr G Hitchmough (Audit and Assurance Partners-Mazars)

		Action
01.2017	Preliminaries The Chair welcomed everyone to the meeting, especially Debbie Taaffe her first meeting of the Audit Committee. It was noted Patrick Green has replaced Nicki Crail as Head of Internal Audit from RSM Apologies were received from Mr G Hitchmough	
02.2017	Declarations of Interest There were no declarations of interest	
03.2017	Consideration of any items of urgent business. There were no items of urgent business to discuss	
04.2017	Confirmation of Quoracy It was noted the meeting was quorate	
05.2017	Minutes of the meeting held on 22nd November 2016 The minutes of the meeting held on 22 nd November 2016 were approved	

06.2017 Matters arising from the minutes not covered elsewhere on the agenda

- a) Review of committee performance-annual report** (paper 10.1 item 76.2016 from the previous agenda-confirmation previous Head of Finance and HR had been added to the list of members on the report.
- b) Key Performance Indicators-** (paper 10.3 item 76.2016 from the previous agenda-confirmation Directors Succession Planning had been added to the KPI's for 2016-2017
- c) Committee Terms of Reference-** (paper 11.1 item 77.2016 from the previous agenda-confirmation the word 'The' had been included in the title of the document.

06.2017 Internal Audit

a) Internal Audit Report No 1 2016-2017-Succession Planning

The Senior Auditor from RSM provided a summary of the report (paper 7.1) and highlighted section 1:2, he stated that, the conclusion is a split opinion to distinguish the difference between staff succession planning and Director succession planning. He went onto explain that staff succession planning had received substantial assurance that the controls upon which the organisation relies to manage the identified risks are suitably designed and are being consistently applied. It was noted that regular meetings take place to review significant staff roles within the college to ensure continuity in succession planning. Directors highlighted that a three month- notice period maybe required for significant staff.

Director succession planning had received a partial assurance opinion that the controls to manage risks are suitably designed and being consistently applied. However, action is needed to strengthen the control framework to manage the identified risks.

Two actions were identified within the report

- 1. Directors Succession Plan-**to develop a Directors documented succession plan for the Corporation and its governance committees and discuss at regular intervals at the search and Governance meetings. The plan will be used to confirm/ determine any internal or external successors who have been identified for key roles within the Corporation and the different committees.
- 2. Director Candidate's database-**to develop and maintain a database of potential Director Candidates in line with the requirements of the Search and Governance terms of Reference.

Questions from Directors

The Senior Auditor invited questions from Directors. It was noted that the decision to separate staff and Director succession planning was a good decision and the report was clear and accurate.

It was noted that a successful meeting had taken place between the Chair of the Corporation, the Chair of Search and a potential Director who will be recommended to the board.

It was noted that 19 parents had requested an interest in the parent Director vacancy and 10 parents had completed the next stage, it was also noted that the voting process will start on 2nd February 2017 and close on 10th February 2017.

It was noted that a number of activities have been undertaken to try and identify potential candidates for Director positions. For example, regular invitations to the Inspiring Governance website and personal contact with director candidates/targets, employer evenings and open evenings.

b) Internal Audit report No2 2016-2017-Follow Up

The Senior Auditor from RSM provided a summary of the Follow Up report 2016-2017 (paper 7.3) he confirmed that all 11 of the management actions followed up had been fully implemented at the time of the review and the audit opinion is that management have demonstrated good progress. There are no actions to carry forward.

Questions from Directors

Directors highlighted that the content of the report sends out a good message to staff, particularly in terms of the IT actions which were completed quickly and efficiently. Directors were assured that the IT Audit Team use different ways of auditing using up to date technology which can often result in more actions being raised.

c) Progress Report

Directors considered the progress report which provides a summary update on progress against the Internal Audit Plan 2016-2017 and summarises the results of work carried out to date. The Senior Auditor from RSM informed Directors that from five assignments to be carried out during 16/17, two have been completed, Succession Planning and Follow Up and three remain which include, Study Programmes, Examinations and Academic Quality. The field work for these will start on 24th April 2017.

Directors were informed of changes to the ordering and timings of some of the reviews to ensure they align with the timings of the relevant operational processes and the Audit committee meetings.

Questions

Directors were invited to ask questions, there were no questions to answer

06.2017 D1: Resolved: to recommend the Internal Audit Report No 1 Succession Planning to the Corporation for approval

06.2017 D2: Resolved: to recommend the Internal Audit report No2 Follow Up to the Corporation for approval

06.2017 D3: Resolved: to recommend the Progress Report to the Corporation for approval

07.2017 Internal Audit Tracking

The Head of Finance gave a summary of the Internal Audit Tracking process which gives a summary of all the management actions identified during the internal audit process. The document is updated and reviewed by SLT on an ongoing basis to ensure that progress is made on all actions.

Questions

Directors were invited to ask questions, it was noted that the tracking system is good and will ensure progress is being made at regular intervals.

08.2017 Risk Management

a) Risk Management Report

The Risk Management Champion provided Directors with the Risk Management Report (paper 9.1) for January 2017. Directors were informed that the Risk Champion had met with the Principal, SLT and Heads of HR and Finance to review risks. As a result a number of changes have been made including risks that have expired and others merged. All risk plans can now be located on Google Drive and can be accessed by the people responsible for managing each risk to allow for more effective monitoring and timely updating.

Questions from Directors

Asked about the new risk 6.24 -risk of failure to ensure appropriate staffing structure and impact on the budget score of 12 Directors were informed that even though the college had met its target of saving £155K by reviewing all staff appointments and resignations the risk had been added to the register to ensure that it does not impact on the quality of the provision.

Asked about how often the Bribery Act training is refreshed, it was noted that new staff receive the training as part of their induction and all other staff are up to date with the training as at January 2017.

b) Risk Register

Directors received the Risk Register (paper 9.2)

c) Management Action Plans

Directors received the Management Action Plans (paper 9.3) it was noted that all actions have been streamlined in order to be more succinct

Directors were informed that the Head of Finance will now take on the role of Risk Management.

08.2017 D1: Resolved: to recommend the Risk Management Report, Risk Register and Management Action Plans to the Corporation for approval

09.2017 Private meeting of the committee with Auditors without staff

There were no matters to discuss

10.2017 Private meeting of the committee without staff or Auditors

There were no matters to discuss

11.2017 Identification of any new risks

No new risks were identified

Date and Time of next meeting

Monday 19th June at 4.30pm

Signed _____

Date _____