

Minutes of a Meeting of the Audit Committee

Venue: Conference Room 1, South Tyneside College

Date: Wednesday, 18 November, 2015

Time: 4.00pm – 5.15pm

Present: Terry Cornick
Les Watson
Susan Wear
Nick Whalen-Griffiths

In Attendance: James Morgan (KPMG)
Mick Thompson (KPMG)
Helen Beaton
Lindsay-Anne Straughton (RSM)
Neil Longstaff (Clerk)

ITEM NO.	ISSUES	ACTION
1.	<p>Appointment of Chair</p> <p>The Clerk sought nominations for the position of Chair and in doing so explained that the current Chair's term of office on the Board ended on 31 October 2015. Options were outlined.</p> <p>Resolved: That Terry Cornick is appointed as Chair of the Committee for a period of 2 years.</p>	
2.	<p>Meeting with Auditors in Absence of Management</p> <p>Auditors stated that there was nothing to report to the Committee.</p> <p>Auditors informed the committee that the College had an excellent finance team led by an outstanding Finance Director.</p>	
3.	<p>Apologies for Absence</p> <p>Helen Beaton (HB) joined the meeting.</p> <p>There were no apologies for absence.</p>	
4.	<p>Declarations of Interest</p> <p>The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p>	
5.	<p>Minutes of the Previous Meeting and Matters Arising</p> <p>The minutes of the meeting held on 23 September 2015 were approved and signed by the Chair.</p>	

	<p>Matters arising</p> <p><u>5.1 Review of Committee Performance against Terms of Reference</u></p> <p>The committee was informed that the report to explore further the judgements that did not achieve a score of outstanding had been added to the workplan and was to be presented to the spring term meeting.</p> <p><u>5.2 Internal Audit Reports:</u></p> <p>The Clerk informed the members of the Committee that the Stakeholder engagement and client management report was on the agenda of each Quality Committee for consideration and that the Financial forecasting and budgetary control report was being presented to the Finance and Resources Committee.</p> <p><u>5.3 Internal Audit Annual Report (Year ending 31 July 2015)</u></p> <p>It was confirmed that the above-mentioned report had been presented to the Board.</p> <p><u>5.4 Internal Audit Plan 2015-16</u></p> <p>The Clerk confirmed that the Internal Audit Plan for 2015-16 had been approved by the Board.</p>	<p>NL/HB</p>
<p>6.</p>	<p>Annual Report and Financial Statements for the Year-ended 31 July 2015 including regularity Audit Opinion and Management letter</p> <p>Confidential item</p>	
<p>7.</p>	<p>Audit Committee Annual Report</p> <p>The Clerk introduced and outlined the report which was to be presented to the Board.</p> <p>Resolved: That the report is approved and is to be presented to the Board for information subject to references to Baker Tilley being changed to RSM.</p>	<p>NL</p>
<p>8.</p>	<p>Annual report on Risk Management 2014-15</p> <p>The purpose of this report was to provide the Audit Committee with an update on risk management in order to assist them in recommending the signing of the annual statement of governance and internal control as part of the College annual report to the Board in December 2015.</p> <p>The key points raised were as follows:</p> <ul style="list-style-type: none"> • Risk management was a standing item at every Senior Management Team (SMT) meeting • Corporate risk register was regularly reviewed by Senior Executive Group (SEG) • Operational risk registers for all areas of the college were reviewed at termly performance monitoring reviews <p>HB responded to questions.</p>	

	<p>Governors asked that the date of the report to be changed to 2015.</p> <p>Resolved:</p> <ul style="list-style-type: none"> i. That the Board is recommended to sign the statement of governance and internal control in December 2015 by the Chief Executive and Chair as part of the College’s annual report. ii. That quality and impact of marketing activity i.e. how the college promotes its offer, is to be added as an action. 	<p>HB</p> <p>HB</p>
<p>9.</p>	<p>Audit Recommendation Tracker</p> <p>The Clerk presented the tracker for governors’ consideration.</p> <p>The document identified any recommendations which were deemed a high or medium risk, which were either overdue for implementation or could be removed if completion had taken place. All personnel who were shown on the list with outstanding issues had been asked to advise if there had been any further progress and the tracker had been updated accordingly.</p> <p>Governors asked about the time it had taken to implement HR policies. HB explained the process of agreeing a series of policies and the reasons for the delays. It was confirmed that the old appraisal system was to be used until the new process was fully implemented.</p> <p>Resolved: That the report is received and accepted.</p>	
<p>10.</p>	<p>Annual Report on Disclosures made under the Public Interest Disclosure Procedure</p> <p>The Clerk informed the Committee that there were no issues to report.</p> <p>Resolved: That the report is received.</p>	
<p>11.</p>	<p>Any Other Business</p> <p><u>Progress Report –RSM</u></p> <p>L-AS from RSM presented the first Internal Audit Progress Report to the committee.</p> <p>Governors were reminded that the internal audit plan for the year 2015/16 had been approved by the Audit Committee in September 2015.</p> <p>This report provided a summary update on progress against that plan and summarised the results of RSM’s work to date. It was noted that the planned work shown as a February start was to be changed to March.</p> <p>L-AS indicated that there was a guidance paper to accompany this report and would circulate this in due course. L-AS also confirmed that Baker Tilley had been renamed to RSM.</p> <p>Resolved: That the report is received and agreed.</p>	<p>L-AS</p>

12.	Identification of Confidential Items Resolved: That Item 6 is to remain confidential but only until approved by the Board.	
13.	Date and Time of Next Meeting The next Audit Committee meeting was scheduled for Wednesday 2 March 2016 at 4.00pm.	

Signed:

Date: