

Action

Minutes of the Audit Committee [AUD0708-5]
held on Monday 28 April 2008 in Room A102

Present:

Penny James	Member	Jef Collingwood	Member
Alison Mackenzie	Staff Member	Rob Setchell	Staff Member
Garry Charles	Member		

In attendance:

Peter Avery	Principal	Jane Scott	Clerk to the Corporation
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The meeting opened at 5 34 pm and was quorate throughout.

PART 1 : MEETING FORMALITIES**1. Apologies for absence**

There were apologies for absence from Adrian Stallard.

2. Minutes of the meeting held on Monday 4 February 2008 (AUD0708-4)

The Minutes were agreed as a correct record and signed.

3. Matters Arising

Reference AUD0708-4/II/1, the matter is dealt with under the agenda for the current meeting.

Reference AUD0708-4/II/5, it was noted that the scheduled review of Corporation tax and VAT has been temporarily delayed due to the non-confirmation of an appointment to the post of Director of Finance.

There were no other matters arising which are not dealt with under the agenda for the current meeting.

PART II ISSUES FOR THE MEETING**1. The Risk Management Action Plan: Changes and Developments**

In consideration of the revised Risk Management Action Plan, the Committee noted the following points:

The College is unable to react in a focused, timely manner to unforeseen business interruption	The recent disaster recovery exercise which was reported at the last meeting of the Audit Committee (AUD0708-4) had been a resounding success, and the College had derived additional benefit from identifying software which would both provide optimal back up cover and be more environmentally sustainable than equivalent hardware. An LSC grant of 75% of the cost has been secured on the basis of the sustainable nature of the software; the College will meet the additional cost.
Machinery of Government changes	A significant consultation about the proposed changes/outcomes

to the LSC/DIUS/DCSF	to the Machinery of Government changes is currently taking place. The College will closely monitor the way in which the changes will impact on its work. A key implication is that the College will in future be working with the local authority.
The College and its partners have been successful in gaining approval to offer the Diploma in Business from September 2009	The College was unsuccessful in its bid to offer diplomas from September 2008 and will have one year to monitor the first phase of diploma provision before fully implementing its input to the Heathfield School-led consortium diploma from September 2009.
The Huish Episcopi school proposal to establish a sixth form from 2010	Although unsuccessful with its initial proposal, Huish Episcopi school has appealed against the decision. An adjudicator will meet with objectors to the proposal during May 2008. Current rules concerning sixth form presumption have been amended to make the process more equitable, but this will not apply retrospectively.
Appointment of Director of Finance	The recent appointment process to appoint a new Director of Finance had not culminated in a confirmation of appointment. The College will try to assess the reasons for non-take up of post and investigate options for appointing an alternative candidate. There may be an inter regnum when there is no Finance Manager/Director in post.
The Examination Process	Following the recent retirement of the Examinations Officer, the College is closely monitoring current provision for examination administration.
Staff Recruitment	The current round of recruitment has progressed well, with a number of sound appointments. However, there is still scope for unanticipated staff resignations, in which case replacement recruitment may be more problematic.
Accommodation Strategy	Progress with preparation of the capital bid continues. Work is currently in hand to prepare the site for uninterrupted access by contractors.
Compliance with legislation	It is recognised that progress with implementation of the DDA is not moving at an optimal pace, and every effort is being made to redress this situation. In view of the new Corporate Manslaughter and Homicide Act coming into force during April 2008 (briefing note appended to papers of the meeting), members considered it timely to review current health and safety provision, especially in relation to provision in respect of trips off-site. It was agreed that there should be a separate item in the RMAP relating to the possibility that the College could be at risk of not meeting all health and safety requirements. It was noted that further consideration should be given to the way in which health and safety matters are reported to the Corporation on a more regular basis.
Events Management	The appointment of an additional member of staff responsible for events management has already had tangible financial results.

2. Tender for Internal and External Audit Services

Members noted that firms tendering for internal/external audit service provision had been invited to deliver a presentation to members of the Committee. This would give

an opportunity for members to assess a number of different aspects of any proposed working relationship. It was agreed that each team of auditors would be asked, *inter alia*, a standard set of questions. It will be necessary for the Committee to formulate a recommendation in respect of the appointments for internal and external provision to be given to the next meeting of the Corporation on 19 May 2008.

3. Review of Outstanding Audit Issues

Financial Regulations and Procedures

The Committee is mindful of the need for substantive review of the Regulations and Procedures once a Director of Finance has taken up appointment.

Unique Identification of Assets

It was considered that every step should be taken to ensure that fixed asset tracking and monitoring is in place in time for full testing by internal audit fieldwork during the current cycle of audit work.

Action: Principal/Clerk to Corporation to liaise with IT Manager about progressing implementation of new system.

Principal/
Clerk

Performance Indicators for IT Service Provision

It was noted that although current arrangements facilitate feedback about the level of IT service, some consideration should be given to implementing performance indicators which could include, for example, the level of acceptable down-time on printers.

Action: Principal/Clerk to Corporation to liaise with IT manager about progressing implementation of IT Performance Indicators.

Principal/
Clerk

4. Any Other Business

Members considered the Corporation's duty under the new Instruments and Articles of Government to annually receive and approve the audited accounts of the Student Council. In consideration of the matter, members noted that the current format of the accounts did not facilitate the separate auditing and approval of accounts, but that systems are in place to facilitate production of the accounts alongside College annual financial statements. The accounts can then be approved through the same cycle of business as the College financial statements.

Action: Clerk to Corporation to ensure that new Director of Finance is briefed about the requirement for separate Student Council accounts and to ensure that Financial Regulations/Procedures are updated accordingly.

Clerk/
Finance
Manager

There was no other business.

1. Date of Next Meeting

The date of the next meeting of the Committee is:

1 May 2008 - presentations for internal/external audit service providers

7 May 2008 - presentations for internal/external audit service providers

16 June 2008 - meeting of the Audit Committee

<p>The meeting closed at 6.39 pm.</p> <p>Signed as a correct record.....</p> <p>Date.....</p>	
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