



**Accrington and Rossendale College
Corporation Board – Audit Committee**

**Minutes of the Meeting
held on Tuesday 20th March 2012
in Room 302, Broad Oak Centre**

Confirmed

Present:

Mrs R Andrews	Chair of the Committee and Independent Member
Dr A-M Coyne	Independent Member
Mr S Sugarman	Independent Member
Mr Steve Ireland	Independent Member
Prof Ian Smith	Independent Member

In Attendance:

Mrs S Collinge	Vice-Principal (Corporate Services)
Mr A Armiger	Clerk to the Corporation
Mrs K Musgrave	RSM Tenon

Apologies were received from:

Mrs L Higham	Staff Member
Mr T Gill	Independent Member

	Date:	
Draft Minutes Prepared by: AA	21-03-12	
Draft Minutes approved by the Chair of the Committee:	25-03-12	
Minutes Approved by the Committee:	12-06-12

Chair

60.1 Apologies for absence

Apologies had been received from Mrs Lorraine Higham and Mr Tony Gill

60.2 Declarations of Interest

Mr Sugarman declared an interest in Item 60.9 as he works for Rossendale Borough Council and the item discussed developments in the borough.

60.3 Minutes of the previous meeting

367 Resolved to approve the minutes of the meeting held on 15th November 2011 as being a true and accurate record

60.4 Matters arising (not on the agenda)

The Clerk referred members to the Record of Resolutions with Actions required paper and it was noted that all actions required from the meeting on 15th November 2011 had been carried out.

The Vice Principal (Corporate Services) informed members that with regard to Item 59.11 that the college had a letter from the Skills Funding Agency (SFA) to confirm that they agreed with the College's assessment of its Financial Health as "Satisfactory" and as a result had removed the "Financial Notice To Improve" from the College.

Mrs Collinge also brought members a benchmarking report received from Price Waterhouse Cooper with reference to improving controls/ processes in regards to Learner Responsive funding, which had been carried out across 20 FE colleges in the northwest. Mrs Collinge noted that this had been a positive report for the college following on from its own ILR audit.

The two areas where the college appeared to be showing a negative "result" had been resolved and were due to issues of recording or timings of work carried out compared with the other colleges and these had been resolved. Members

368 Resolved to note the information provided by Mrs Collinge

60.5 Internal Audit Reports

Mrs Musgrave reported to the committee on two internal audits that had been carried out in the college.

(a) 01 Partnership Provision

Mrs Musgrave said that this audit, which had been carried out in February 2012, reviewed the college's partnerships to provide both Learner and Employer responsive provision. She noted that the college currently is working with six partners. Mrs Musgrave noted that the audit showed that the college had tight financial controls in place and there was a good reporting structure to both the college's SMT and governing body.

Mrs Musgrave went on to say that auditors had visited one of the partners and had received very positive feedback on the relationship with the college. Mrs Musgrave noted that there were four recommendations with the report, one being of medium risk and the other three were of low risk and that these had been accepted. Mrs Musgrave informed member that the overall audit opinion was one of Reasonable Assurance

Mrs Musgrave then spoke about an addition piece of work that RSM Tenon had been asked, by the college, to carry out in terms of reviewing partnership learner files and their contents. A separate report will be provided to the committee.

(b) 02 Freedom of Information Act 2000 (FOIA)

Mrs Musgrave began her report by saying that this audit report with regard to the college's compliance with the FOIA and the Environmental Information Regulations (EIR) 2004 has received an opinion of Substantial Assurance. There had been 4 identified risks, but these had all been rated as low priority. There had, additionally, been one suggestion made regarding the adoption of a model Information Commissioner's Office (ICO) FE scheme which is considered best practice.

Mrs Musgrave explained to members that although all the required information was available to auditors, it would be best if the college began to log, in a more formal way, requests for information and action taken to ensure that it is able to demonstrate that FOIA requests are dealt with in a timely manner and in line with legal requirements. Prof Smith asked how many requests the college received on an annual basis. Mrs Collinge replied that it was normally two or three. Mrs Collinge also noted that the college's Director of Facilities and IT had attended a seminar the previous day on EIR and would bring new aspects and understanding of this back to the college.

Members

369 Resolved to note the Internal Audit Reports

60.6 Internal Audit Progress Report

Mrs Musgrave updated members with regard to the progress of internal audits. She noted that there were two reports to be carried out in the year; Report 03 which would examine HEFCE/ HE provision which would be carried out in May and finally Report 04 which would look at the Provision of Bursaries . The College had asked RSM Tenon to scrutinise this aspect of the college rather than, as originally planned, the Governance options review. Mrs Musgrave said that she hoped to be able to report on both of these audits at the Committees June meeting. Members

370 Resolved to note the Internal Audit Progress Report

The Chair thanked Mrs Musgrave for her reports

60.7 External Audit Reports

(a) European Integration Fund Citizenship Project

The Vice Principal (Corporate Services) explained to members that she had hoped to bring this item to this meeting, but as yet had not received the final report and as such would bring the report to the next meeting in June

371 Resolved **That Mrs Collinge would report on the European Integration Fund Citizenship Project Audit at the Committee's meeting on 12th June 2012.**

60.8 Audit Findings Monitoring Report

The Vice-Principal (Corporate Services) noted that as there had been no audits carried out in the autumn term, there had been no items to add to the monitoring report. Mrs Collinge told members that there was one issue still outstanding and that this was in regard to CRB checks for Governors. The Clerk confirmed that there had still been no progress on this matter as there had been no further movement from the government on re-instigation of the ISA registration. The Clerk informed members that governors still remained on the College's volunteer's data base.

372 Resolved **to note the report**

60.9 Risk Management Plan – Monitoring Report

The Vice-Principal presented the current Risk Management Plan to members highlighting progress made to date towards the college's strategic ambitions and action taken against identified risks. These included the introduction of new programmes, under point 1.2 and work towards the opening of the Stubby Lee Vocational Centre in response to point 1.4. With regard to point 2.2 Mrs Collinge was able to say that the College would be replicating, for 2012/13, the comprehensive support package offered to this year's students. This followed a focus group of students where 80% claimed they would not have been able to attend college without support.

Mrs Collinge went onto say that at point 3.1, as previously discussed in the meeting, the FNTI had been removed by the SFA and finally at 4.1 commented that the Carbon Trust Programme had been completed on time and that the college had already seen significant efficiencies.

Prof Smith asked what it meant at point 3.1 "12 staff converted to fractional post". Mrs Collinge explained that 12 part-time agency staff had been converted to college contracts and this had produced a more effective service.

After further discussion members

373 Resolved **to note the report**

60.10 Procurement Progress Report

The College's Finance and Systems Improvement Manager presented her yearly report to Members. Mrs Holt began by saying that, in general, the FE sector is becoming more open and there is a desire to collaborate to ensure savings. This was demonstrated in work with the North

West Colleges Forum and several local colleges using AoC Efficiency Innovation Funding. There had also been good development in terms of shared services provision to partners, particularly around HR, Marketing and Maintenance contracts.

Mrs Holt described current and on-going work which includes work with the Hyndburn Studio School, Futures Learning Trust and the Lancashire Colleges. She then went on to inform members about possible future developments which included the tender process for external audit and the identification of other shared services opportunities. Members were particularly interested in a forthcoming review of the college fleet of vehicles, including the types of vehicle being looked at and efficiencies that could be made. It was estimated that the fleet saved the college in the region of £3,000 per annum against allowing staff to claim mileage expenses, and that further saving could be made by using the most efficient type of vehicles. The Chair thanked Mrs Holt for her report and members

374 Resolved to note the report

60.10 Declaration of any Confidential Items

There were no items deemed to be confidential.

60.11 Date and Time of next Meeting

Tuesday 12th June at 08.15am

The meeting closed at 4.30pm