



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

**Minutes of the Meeting
held on Tuesday 26th March 2013
in the Boardroom, Broad Oak Centre**

Confirmed

Present:

Mrs R Andrews	Chair of the Committee and Independent Member
Mr T Gill	Independent Member
Mr Steve Ireland	Independent Member
Prof Ian Smith	Independent Member

In Attendance:

Mrs S Collinge	Vice-Principal (Corporate Services)
Joanne Love	Grant Thornton
Mrs A Holt	Finance and System Improvement Manager (for Item 63.10)
Mr A Armiger	Clerk to the Corporation

Apologies were received from:

Mrs A-M Coyne	Independent Member
Karen Musgrave	RSM Tenon

Draft Minutes Prepared by: AA	Date:	
Draft Minutes approved by the Chair of the Committee:	10-04-13	
Minutes Approved by the Committee:	15-04-13 <i>Rosemarie Andrews</i>
	18-06-13	

Chair

63.1 Apologies for absence

Apologies had been received from Mrs Coyne and Karen Musgrave (RSM Tenon)

63.2 Declarations of Interest

There were no declarations of interest from the members

63.3 Minutes of the previous meeting

393 Resolved To approve the minutes of the meeting held on 20th November 2012 as being a true and accurate record

63.4 Matters arising (not on the agenda)

The Clerk referred members to the Record of Resolutions with Actions required paper and it was noted the actions required from the meeting which had been carried out. The Clerk also explained that there was one outstanding action and that this was in regard to resolution 382:

that Mrs Andrews, Mr Gill, The Clerk, Mrs Collinge and Mrs Jarvis would make up the panel to receive audit firm tender presentations at a date to be confirmed.

The Clerk told members that the process for tendering for internal and external auditors had now been carried out and that the panel's recommendations would be presented at the Corporation Board meeting later that evening

63.5 Internal Audit Report

Report 01 – Employer Responsive Efficiency Review

As Mrs Musgrave of RSM Tenon was unable to attend the meeting, the Vice Principal (Corporate Services) took the members through the report. Mrs Collinge informed members that this was not an internal audit as such, but was a value added piece of work which focused on the efficiency and effectiveness of the college's employer responsive activity i.e. apprenticeship and work place provision. The report also, where appropriate, compares the college to benchmark comparators and looked to make recommendations where there were high level differences between the college and the comparators. The report did not however result in a formal assurance opinion.

Mrs Collinge highlighted the key points of the report beginning with assessor utilisation. Mrs Collinge noted that the college has been struggling with utilisation of its assessment staff due to the variable assessment requirements of its employers and qualifications delivered, but is now reviewing how these staff are employed and used.

With regard to the average monthly income per learner, Mrs Collinge told members that there was currently a review of apprenticeship delivery in progress in the college and it was felt that this review would remedy some of the existing problems in management and delivery of programmes. Mrs Collinge said that the college had noted all the recommendations made in the report and was working to implement them.

Mr Gill said that this is not the type of report members were used to seeing in terms of some of the negative commentary, but was pleased to see that the college was prepared to have auditors focus on areas where recommendations could be made and implemented to ensure best practice leading to positive outcomes. Members asked who would be leading the work on the recommendations. Mrs Collinge said that Ms Tamsin Deasey, Director of Business and Partnerships and Mrs Higham, Director of People and Performance would be working together to implement the recommendations.

Prof Smith noted that it was interesting to see the range of incomes per assessor across the different departments dependent on caseloads.

Following further discussion members

**393 Resolved i) to note the report
ii) to ask that a follow up report, including an action plan, on Employer Responsive Efficiency be brought to the next Audit Committee meeting on 18th June 2013**

63.6 Internal Audit Progress Report

The Vice Principal (Corporate Services) asked members to note that, as per RSM Tenon's report, the remaining work to be carried out under the 2012/13 Internal Audit plan is as follows:

- Report 02: Learner Records – Employer Responsive (apprenticeships) w/c 25 February 2013

Mrs Collinge informed members that a draft of this report had been recently received and the results had not been good. However, the college has acted quickly to implement a plan to ensure all issues noted will be resolved urgently and that this report will come to the next committee meeting.

- Report 03: Key Financial Controls – Procurement w/c 8th April 2013
- Report 04: Governance & Risk Management w/c 27th May 2013

Members

394 Resolved to note the report

63.7 Internal Audit 2011/12 Recommendations Follow-up Report

The Vice Principal (Corporate Services) was pleased to advise members that all 13 medium and low risk recommendations (there had been no high risk recommendations) from 2011/12 had been successfully implemented. Members

395 Resolved to note the report

63.8 Audit Findings Monitoring Report

The Vice Principal (Corporate Services) advised members that as there had been no internal audit reports finalised there were currently no recommendations to report on. Members

396 Resolved to note the report

63.8A External Audit - ESF Co-financing Assurance Audit - ESF Project: 749 (Apprenticeship Support to Employers)

The Vice Principal (Corporate Services) informed members that this report related to a contract valued at £6,000 which, following audit by the Skills Funding Agency, received a Satisfactory opinion with no claw back of funds

63.8B External Audit - National Careers Service Northwest Quality and Compliance Review Report

The Vice Principal (Corporate Services) explained that this audit had been carried out at the end of January 2013 by the National Careers Service and looked at the Careers Service provision of the college. Following the review the team had received a grade 2 – Good. Members noted the recommendations made and were assured that the team was working towards implementing these. Mrs Collinge advised members that the grade highlighted the excellent Careers Service available to students of the college. Members

397 Resolved to note the external reports

63.9 Risk Management Plan – Monitoring Report

The Vice Principal (Corporate Services) presented the report that shows progress to date against identified risks. Mrs Collinge noted that the full outcomes will be reported at the end of the year. Mr Gill asked if any new risks had been identified during the year. Mrs Collinge replied that there hadn't as of the time of updating the report. Ms Love, of Grant Thornton, asked if it might be possible to highlight where there were areas for concern in the action taken column. Members agreed that it may give a truer picture of where action remains to be taken or where although action has been taken the issue is still unresolved. Mrs Collinge said that she would look at this with the other Vice-Principals. Following further discussion members

398 Resolved to note the report

63.10 Procurement Progress Report

Mrs Holt presented her annual report to members and highlighted several areas where the college had made significant savings, including one for £41k for advertising, to a value of 313K which had been able to be reinvested in the College. Mrs Holt explained the various services which had been introduced following tendering processes and also that the college security services had now been brought in-house.

Members were told that the college was now looking at areas that would allow it to deliver shared services to partners such as payroll and other opportunities.

Mr Gill asked what was planned for the next year. Mrs Holt replied that it was the intention to enhance the systems the college already has and to improve college services to its learners and other customers. It was also planned to look at more sponsorships and partnerships with suppliers.

Members also asked what the current situation was with regard to the cost and achieving savings on Exam fees. Mrs Holt replied that in working with exam boards there were some discount offered but these were, predictably, around new business. Mrs Holt explained what will be done with curriculum teams in the management of exams and related fees which will result in savings being made. Following further discussion members

399 Resolved to note the report

The Chair thanked Mrs Holt for attending the meeting

63.11 Declaration of any Confidential Items

Members agreed that there were no items deemed to be of a confidential nature

63.12 Time and Date of next meeting:

8.15 am on Tuesday 18th June 2013

The meeting closed at 4.40pm