



AUDIT COMMITTEE

WENDESDAY 22 JUNE 2016

Report: Minutes of the meeting held on Wednesday 22 June 2016
Author: Clerk
Action: Approve
Status: Open

Present: Chris Macklin (Chair)
Darren Heathcote
Neil Weddle

In attendance: Kara Price (acting Clerk)
John Holt (Finance Director)
Claire Leece (RSM) – External Audit
Karen Finlayson (PWC) – Internal Audit
David Keetley

A/581 Welcome / Apologies / Conflicts of Interest

The Chair welcomed all to the meeting. Apologies were received from Judith Doyle, Chris Barrett and Robert Auty.

Members were invited to declare any interests on any item on the Agenda. No interests were declared at this stage in the meeting; however, members noted that should the direction of debate on any item result in a potential conflict of interest, this should be indicated in the meeting.

A/582 Minutes of the last meeting dated 7 October 2015

The minutes of the meeting held on 3 February 2016 were agreed as a correct record.

A/583 Matters arising

Members were invited to declare any matters arising. No matters arising were declared.

A/584 Internal Audit Report – Key Financial Controls

The report was presented by the Internal Auditor.

THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.

The report was noted

A/585 Internal Audit Report – HR – Learning and Development

The report was presented by PWC as Internal Auditor.

It was noted that this report considered learning and development performance, framework and “Aspire” (the College’s new online learning and development software). The overall rating of this report is “Low” risk as one “Medium” risk rated finding and three “Low” risk rated findings were identified.

The four findings were noted as follows:

1. Failure to complete mandatory training in a timely manner – particularly in relation to safeguarding.
2. Ensuring the learning and development framework is implemented and shared.
3. Ensuring there are no “Aspire” profile details outstanding and ensuring there are succession arrangements in instances of line manager unavailability.
4. Ensuring role-specific training matrices are in place.

The Chair noted that it would be useful to route this paper through the People Committee. The Chair noted that Governors are doing a lot of work behind the scenes in relation to “Aspire” and the degree of work in progress would be useful for Governors to see.

The Chair noted that he viewed the report as an accurate reflection of where the College stands in relation to learning and development.

A member noted that they also viewed the report as an accurate reflection. In relation to finding 1, the medium risk rating was likely due to training of third party members of staff not being complete. The member noted the differing levels of training required.

A member queried the April 2016 Target Date for finding 3. The Internal Auditor confirmed that she would check and ensure that this date was correct.

The Finance Director noted that he was already aware of significant progress in relation to learning and development and “Aspire” considering that the software has only been properly rolled out for the first time this year.

The report was noted

Action: the report on learning and development to be considered by the People Committee

A/586 Internal Audit Report – Health & Safety

The report was presented by PWC as Internal Auditor.

It was noted that this report considered policy, risk assessment and training. The overall rating of this report is “Low” risk. Four findings were noted as follows:

1. Workplace vetting – it was noted that on one of the workplace vetting forms, the Employers Liability policy was out of date.
2. Health and Safety training – it was noted that this was linked to HR and that mandatory training had not been completed in line with the timetable.
3. Risk assessments – the importance of workplace spot checks was noted.

4. Workplace guidance documents – it was noted that Gateshead College may wish to consider providing all vetted workplaces with guidance on their responsibilities.

The Chair noted that the overall “Low” risk demonstrated the hard work the College does in this area.

The report was noted

A/587 Internal Audit Progress Report

The report was presented by PWC as Internal Auditor.

The Internal Auditor noted that two future audits are scheduled: Student Records and Fraud Workshop. These are scheduled for July.

The External Auditor noted that the FSA are starting a round of fundraising audits which tend to be on a risk/rotational basis. The College will be notified in August if they are due to be audited. The External Auditor also confirmed the Annual Report will be in place by October.

The Chair asked the members if they had any further comments or queries in relation to the report. There were no further comments or queries.

The report was noted

A/588 European Article 16 of the Skills Support for the Unemployed Project

The report was presented by the Finance Director.

It was noted that the audit involved sampling 30 learner files. The audit was completed mid-way through day 1 of a planned 2 day visit with a zero error rate. It was noted that a similar audit had been undertaken previously, also with a zero error rate. The Finance Director noted the high risk of having funding clawed back if the result had been anything but a zero error rate.

The Chair congratulated the teams involved saying that this result demonstrated the success of the College.

The report was noted

A/589 SFA ESF Match Funding Audit

The report was presented by the Finance Director.

The Finance Director explained that the SFA intend to use the funding programme provided to the College as match funding for the 2014-20 European Social Funding Programme. Compliance checks were therefore required.

120 learner files were audited, both Apprenticeship and Classroom based. The SFA confirmed that the College has fully satisfied all of the requirements. The Finance Director noted that a number of Colleges have failed to satisfy the requirements, which can have a significant impact on future funding.

The Chair noted that this result was very pleasing from the College’s perspective.

The report was noted

A/590 External Audit Plan 2016

The report was presented by RSM as External Auditor.

THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.

A/591 Emerging Issues and Financial Reporting Developments

The report was presented by RSM as External Auditor.

THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.

The report was noted

A/592 Risk Management Plan

The report was presented by the Finance Director.

THIS ITEM IS CONFIDENTIAL AND NOT FOR PUBLICATION.

The report was noted

A/593 Follow up of Audit Recommendations

The report was presented by the Finance Director.

The Chair commented that not many organisations can demonstrate such movement over a short period of time.

A member noted that some recommendations were quite old and asked if they could be removed if already complete. The Finance Director confirmed that all completed recommendations would be removed.

The Chair asked the members if they had any further comments or queries in relation to the report. There were no further comments or queries.

The report was noted

A/594 Any other business

There was none.

A/595 Date of next meeting

The date of the next meeting will be approved at the Board Meeting in July.