

REASEHEATH COLLEGE BOARD
AUDIT COMMITTEE

Minutes of the meeting held on Thursday 16 March 2017 at 10.00 am
Committee Room, Reaseheath Hall

Present: Colin Baxter (Chair)
Dr Ian Graham
Emily Thrane

In attendance: Louise Tweedie, RSM (*items 1-5*)
Sally Clarke, Mazars LLP (*items 1-12*)
Richard Ratcliffe, Chair of Governors
Graeme Lavery, Director of Finance and Resources
Meredydd David, Principal
Jackie Schillinger, Clerk

At the start of the meeting the Committee had the opportunity to discuss any matters with the College Auditors without the presence of senior management.

PART A

Item	Content	Action
1.	<p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p>The Chair welcomed members to the meeting. Apologies were received and accepted from Karol Bailey and Dave Kynaston. The Clerk confirmed that the meeting was quorate.</p>	
2.	<p>DECLARATIONS OF INTEREST</p> <p>The following interests were noted: Emily Thrane, Chair of the DART Limited Board of Directors and member of the University Council, University of Chester.</p>	
3.	<p>MINUTES AND MATTERS ARISING</p>	
3.1	Part A of the minutes of the meeting held on 1 December 2016 were approved as a correct record and signed by the Chair.	
3.2	No matters arising were raised.	
4.	<p>DEVELOPMENT BRIEFING</p> <p>Louise Tweedie presented a sector update covering HE and FE and she provided a reference handout in the meeting. A full discussion took place on the potential impact and risk associated with the areas covered and those present thanked Louise for a very useful update. The key aspects covered in the briefing and discussion were:</p>	

	Autumn Statement 2016; Spring Budget 2017; HE sector financial sustainability analysis; Higher Education and Research Bill; Building our Industrial Strategy Green Paper 2017; Technical and Further Education bill 2016.	
5.	INTERNAL AUDIT REPORTS	
5.1	Reaseheath Training – Apprenticeships: Louise Tweedie presented the RAG-rated Green (substantial assurance) report, highlighting the two medium priority actions. Following discussion the Committee was assured that the actions were being addressed and the challenge of the transition to the new apprenticeship standards was being well managed via a cross college task and finish group. It was agreed that it would be beneficial for the internal audit service to carry out a process audit and audit of contracts and other paperwork for compliance with the new rules, at the appropriate time.	
5.2	Dart Training - Subcontracting Controls: Louise Tweedie presented the Skills Funding Agency (SFA) required assurance report, highlighting the good outcome (with one management action required) from which the Audit Committee could take assurance of compliance with SFA requirements. It was also confirmed that the report would be submitted well within the SFA deadline of 31 May this year.	
5.3	Learner Number Systems – Study Programmes and English and Maths Condition of Funding: Louise Tweedie presented the RAG-rated Green (substantial assurance) report, highlighting the three low priority actions and one medium priority action. Following discussion the Committee gained assurance that the actions were being addressed.	
5.4	Internal Audit Progress Report: Louise Tweedie presented her report providing an update on progress against the internal audit plan for 2016-17. She noted that the next internal audit work is scheduled for April and will be reported to the next committee meeting in July. She explained that there remains some time scheduled for a Dart audit, but it is yet to be decided whether this is necessary due to the sub-contracting audit already carried out, as required by the SFA. The requirements on gender reporting were discussed and the Committee requested RSM to provide some benchmark data so that the College can gain an understanding of its position in the sector. The Committee also suggested that the College report on its progress on meeting these requirements at the next Finance and General Purposes Committee meeting. The Committee thanked Louise for her reports and the overall update on progress. <i>Louise Tweedie left the meeting.</i>	LT – provide benchmarks on gender reporting if possible Gender reporting report to next FGP committee
6.	INTERNAL AUDIT RECOMMENDATIONS TRACKING REPORT The Director of Finance and Resources presented the tracking report, noting that only those new management actions are included, as all previous ones have been cleared. The Committee welcomed the fact that no actions are overdue and looked forward to clarification at its next meeting that these new actions have been closed down.	

7.	RISK MANAGEMENT	
7.1	The Clerk provided an update on the Board Assurance Framework progress and presented the updated strategic risks register. She explained that the Executive team had met in January and worked through the apprenticeship strategy risks. This had led to an updated risk-scoring matrix and likelihood/impact criteria, now shared with the Audit Committee. Members welcomed the work in progress and recommended a working session on the new risk management template and process at a board strategy/development day so that the board could fully understand it and consider its risk appetite in relation to the main strategic risks.	Risk management working session at next board development day
8.	IRREGULARITIES	
	There were none reported.	
9.	WHISTLEBLOWING POLICY	
9.1	The Committee considered the reviewed and updated Whistleblowing Policy, which has been re-written in line with the Association of Colleges model Whistleblowing Policy aligned for college circumstances and the March 2015 government guidance on whistleblowing. The Clerk confirmed that the policy is circulated and promoted to staff via the staff partnership forum, shared with the College Management Team at its monthly meeting, and posted on the College external website, staff intranet and student intranet. She confirmed that it would also be shared with the Equality and Diversity Committee for comment and feedback.	
9.2	RESOLVED: Recommend approval of the updated Whistleblowing Policy.	
10.	MATTERS TO REPORT TO THE BOARD	
	Members agreed that the Chair's report will recommend approval of the Whistleblowing Policy and will alert the governing body to its recommendation that the Finance and General Purposes Committee consider progress on plans to meet the gender reporting requirements at its next meeting in June 2017.	
11.	ANY OTHER BUSINESS	JS/MD/CB meet prospective co-opted member.
	The Chair of Governors reported that he had contacted a prospective co-opted member for the committee with audit experience. It was agreed that the Clerk will make contact and a meeting with the Chair of Audit, the Principal and the Clerk set up to progress this before the next meeting.	
12.	DATE OF NEXT MEETING	
	The date of the next meeting was confirmed as Thursday 6 July 2017 at 10.00am.	

The meeting closed at 12.15pm

Signed:

Dated: