

# Confirmed Minutes of the Audit Committee Meeting held on Tuesday 2<sup>nd</sup> October 2018 at 9.00am



carmel  
college

**Present:** Mr Andrew Jones (*Chair*)  
Mr John McCormick  
Mr Paul Rooney

**In attendance:** Mr Patrick Green (*Head of Internal Audit, RSM UK*)  
Mrs Michelle Williams (*Vice Principal, Strategy & Resources*)  
Mrs Catherine Shaw (*Clerk to Governors*)

*The meeting started at 9.15am.*

## 1. **DECLARATIONS OF INTEREST**

Governors were invited to declare whether they had any direct or indirect personal, prejudicial or pecuniary interest or conflict of interest in any matter which formed part of the agenda for this meeting or was likely to be discussed at this meeting.

Mr Paul Rooney declared an interest in any potential discussion which included Liverpool Hope University.

## 2. **APOLOGIES FOR ABSENCE**

None. The meeting was declared quorate.

## 3. **ITEMS FOR INCLUSION UNDER ANY OTHER BUSINESS**

There were no items submitted for inclusion under any other business.

## 4. **MINUTES OF THE PREVIOUS COMMITTEE MEETING HELD ON 29<sup>th</sup> AUGUST 2018** (*previously circulated*)

### 4.1 **Approval of the minutes**

The minutes of the previous meeting held on 29<sup>th</sup> August 2018 were **approved** as a true record of the meeting and signed in accordance with Article 12 (3) of the Instrument and Articles of Government.

The publication of the minutes was authorised in accordance with Article 13.

## 5. **MATTERS ARISING FROM THE MINUTES**

5.1 **To consider any matters arising from the minutes** (*previously circulated*)  
The Committee **noted** the action log, which had been previously circulated.

### 5.2 **Minute 8.1 – I T Cyber Risk Assessment** (*previously circulated*)

The Committee considered the information contained within the executive summary. The Vice Principal responded to the following query raised by a Governor:

**Q.** Had the Finance Committee considered the cost of the IT penetration testing?

**A.** Given the setting of a deficit budget, this proposal was not made to the

Finance Committee. As such there is no plan to undertake penetration testing in this academic year.

The Committee **noted** the report.

- 5.3 **Minute 9.4 – Review of Audit Provision 2018/2019** (*previously circulated*)  
For information purposes the Clerk advised that the respective contracts with the Internal Auditors and the External Auditors were due to expire on 31<sup>st</sup> July 2019. This was to be reviewed by the full Governing Body at its meeting of 16<sup>th</sup> October 2018.

The Committee **noted** the content of the report.

## 6. COLLEGE MANAGEMENT REPORT

- 6.1 **College update on progress made relating to previous recommendations made by the Internal Audit Service** (*previously circulated*)

The Vice Principal provided a comprehensive progress report on all the recommendations made by the Internal Auditors in respect of previous audits throughout 2017/2018. The report and associated commentary confirmed that the College had completed a number of the recommendations and work was on-going on those not yet fully completed.

A discussion ensued with several questions being raised by Members and responded to by the Vice Principal. These included:

Advance Records – recording of student performance interventions

**Q.** Who inputs this information?

**A.** The academic tutor.

Student Performance – letters to parents where underperformance is identified in two or more subjects

**Q.** How many students have recently been identified in this cohort?

**A.** 80, which equates approximately to 10%.

The Committee **noted** the very pleasing progress report.

## 7. REPORTS FROM RSM UK INTERNAL AUDITORS

- 7.1 **Annual Report 2017/2018** (*previously circulated*)

Mr Green informed the Committee that for the twelve months ended 31<sup>st</sup> July 2018 it was stated that in the opinion of the Head of Internal Audit, 'the organisation had an adequate and effective framework for risk management, governance and internal control. However, the Internal Auditor's work had identified further enhancements to the framework for risk management, governance and internal control to ensure that it remains adequate and effective.'

The Internal Auditor stated that the acid test was how well the College responded to any weaknesses identified. As confirmed within agenda item 6.1, it was agreed that Committee could take assurance that Management dealt quickly and effectively with required actions. A discussion ensued.

The Committee **noted** the contents of the Annual Internal Audit Report.

7.2 **Internal Audit Plan 2018/2019** (*previously circulated*)

Following due consideration, the Committee **approved** the timetable for the internal audit fieldwork to be undertaken during this academic year.

8. **AUDIT COMMITTEE ANNUAL REPORT**

8.1 **Annual Report 2017/2018** (*previously circulated*)

The Clerk presented this draft report which was considered by the Committee. The Internal Auditor referred to a requirement in the Audit Code of Practice which stated inter alia, that the Audit Committee was to 'assess and provide an opinion to the full Governing Body on the solvency of the College and the safeguarding of its assets.' Mr Green advised the Committee to consider this inclusion in the report.

A discussion ensued with a specific focus on the aspect relating to safeguarding of College assets. The Vice Principal gave an assurance to the Committee that robust procedures were in place in this respect.

The Committee:

- **Requested** that a written report be presented at the next Committee meeting outlining the policies and procedures in place to safeguard College assets, as a follow up to the verbal report received.
- Subject to the above, an opinion on safeguarding assets could then be included in the Audit Committee Annual Report with a **recommendation for approval** by the full Governing Body

9. **RISK MANAGEMENT**

9.1 **Risk Policy** (*previously circulated*)

The Committee **recommended approval** of the Risk Management Policy to the Board, as presented by the Vice Principal.

9.2 **Risk Register** (*previously circulated*)

9.3 **Risk Management Action Plan** (*previously circulated*)

The Vice Principal addressed these agenda items together. Mrs Williams highlighted the following information in her report:

- The full Risk Register for 2018/2019 had been considered by the Corporate Management Team (CMT), in its capacity as the Risk Management Team.
- The Risk Register was derived from the approved College Strategic Plan and was managed on an operational basis by the CMT.
- The scoring process for each risk was explained in accordance with the Risk Policy, which enabled the College to identify a concise, focussed list of risk factors and their effective management.
- Explained each risk which had been assessed as being either 'significant' or 'contingent.'
- The register was to be updated following approval of the strategic operating plan. This plan was due to be presented to the full Governing Body at its meeting on 11<sup>th</sup> December 2018.

A discussion ensued.

The Committee:

- **approved** the Risk Register.
- **approved** the Risk Management Action Plan.

**10. SECTOR UPDATE**

**10.1 Presentation by the Internal Auditor**

None.

**11. FUTURE AGENDA ITEMS**

**11.1 To consider topic areas for future discussion**

There were no topic areas submitted for future discussion.

**12. ANY OTHER BUSINESS**

None.

**13. DATE OF NEXT MEETING**

Tuesday 20<sup>th</sup> November 2018 at 9.00am

*Mr Patrick Green was thanked for his attendance and he left the meeting.*

**14. CONFIDENTIAL MINUTES OF THE PREVIOUS COMMITTEE MEETING HELD ON 29<sup>th</sup> AUGUST 2018 (previously circulated)**

**14.1 To approve and sign the minutes in accordance with Clause 12 (3)**

The confidential minutes of the previous meeting held on 29<sup>th</sup> August 2018 were **approved** as a true record of the meeting and signed in accordance with Article 12 (3) of the Instrument and Articles of Government.

**14.2 To consider any matters arising from the minutes**

There were no matters arising from the minutes.

There being no further business for discussion the meeting concluded at 10:10am. The Chair thanked all Members for their attendance and contribution.

Signed by the Chair: College file signed by Mr Andrew Jones

On this day: 20<sup>th</sup> November 2018