

## **GOVERNING BODY AUDIT COMMITTEE**

Minutes of the non-confidential section of the meeting held on Thursday, 11<sup>th</sup> March 2010  
at 6.15 pm at Parkshot

Present:	Mr Robin Jowit, OBE, Chairman of the Committee Mr Chris Williams Mr Duncan Faircloth, Non-Governor Member
In attendance:	Ms Christina Conroy, OBE, Principal & Chief Executive Ms Gabe Flint, Vice Principal (Curriculum & Quality) Ms Judith Potter, Vice Principal (Finance and Corporate Services) Mr Mike Cheetham, Head of IAS, RSM Tenon Mr Paul Coveney, Clerk to the Governing Body and College Secretary
Apologies:	Ms Cindy Rampersaud Mr Sebastian Scotney

The meeting remained quorate throughout.

### Part I (Non-confidential items)

1. **MINUTES** of the previous meeting on 1<sup>st</sup> December 2009 were, with a minor amendment, approved as a correct record and signed by the Chairman.

### 2. **MATTERS ARISING**

- Item 2: The Principal reported that the College had, with the help of JISC<sup>1</sup> consultants, developed an IT investment strategy, which would be considered at the following week's meeting of the Finance & Resources Committee.
- Item 2: the Principal reported that development of the business continuity plan had been impacted by the resignation of the Director of Business Services: the Head of Marketing would replace her in this role. Business continuity was within the remit of the College's Health & Safety Committee. The College had remained open during the bad weather in January and February.
- Item 5: Mike Cheetham reported that the LSC was now consulting on part 1 of the revised Audit Code of Practice. The Committee considered that the College response should be in support of there being one funding audit authority for Colleges, and that part 2 (yet to be developed) should be based on light touch regulation, with a particular request that changes to funding regulations should be introduced with adequate notice for College procedures and systems to be updated, and in any event not in-year.
- Item 6: The Principal reported that the College Sickness Absence Management policy and procedure had been approved by the Governing Body on 17<sup>th</sup> December 2009, on the recommendation of the Employment & Organisational Development Committee.

JP

### 3. **DECLARATIONS OF INTEREST**

There were none.

### 4. **TENON MERGER**

The Committee noted that, as reported to the Governing Body on 20th January 2010, Tenon had merged with RSM Bentley Jennison to form RSM Tenon.

### 5. **INTERNAL AUDIT**

#### **Report on visit in January 2010**

Mike Cheetham summarised the report: the College's key financial controls were good, and the only recommendation was a housekeeping matter. The Committee noted that

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<sup>1</sup> Joint Information Systems Committee: an independent advisory body, funded by the UK HE and FE funding bodies, that works with further and higher education to provide strategic guidance, advice and opportunities use to use ICT to support learning, teaching, research and administration.

RSM Tenon had abandoned its intention (as reported to the Committee on 10 March 2009) to introduce an Outstanding assessment rating: Good was now the highest available rating, the others being Satisfactory or Weak.

Learner Number Systems were satisfactory: four recommendations were carried forward from earlier visits: there was only one new one (grade 2) this time. The Vice Principal (Finance and Corporate Services) reported that these recommendations covered three main areas: data (enrolment forms had not always provided sufficient evidence of eligibility – all had now been checked, and work was in hand to correct those that were incomplete); learner agreements (not all were signed by the learner – the College was ensuring that tutors made sure that this was done in all cases); and register marking (some online access problems had contributed to this – the Vice Principal (Curriculum & Quality) reported that a new learner management system would help to improve this, as would the College's plan to make the process easier for staff to use, as well as being a prerequisite for them being paid).

In considering the follow up of previous recommendations, the Committee noted that many of these had been completed since the January visit, while more were on course for completion by the end of March 2010. Others would be superseded by the College IT investment strategy, as reported under item 2 of this meeting. The Committee noted that the College's procurement procedures, as set out in the Financial Regulations, did not preclude price negotiations after tender receipt, in the interests of achieving best possible prices.

***The Committee noted the RSM Tenon report on its visit in January 2010.***

#### **Employer Responsive recovery strategy**

Mike Cheetham reported that the College had made good progress, which was very encouraging. The Principal said that the College was very pleased with the report, which had, combined with the very good success rates now being achieved by the College, proved helpful in negotiations with the LSC, resulting in the College's Employer Responsive funding for 2010/11 being protected. The College accepted the four further recommendations, which were all in hand for early completion.

***The Committee noted the RSM Tenon report on the College's Employer Responsive recovery strategy***

#### **6. RISK MANAGEMENT POLICY**

The Committee noted the Clerk's suggestion for re-wording section 7 (a) of the College's risk management policy to read:

"The Governing Body's role in the management of risk is to:

- a) Determine the levels of risk which the College should accept and manage:
  - i. By reference to the constraints inherent in the College's nature as a further education corporation
  - ii. By reference to particular risks identified within the risk management plan and risk register
  - iii. By reference to the significance of risks in the context of the College's strategic plans"

***The Committee recommended the revised wording to the Governing Body.***

#### **7. RISK MANAGEMENT**

The Committee noted that the risk levels of eight risks had improved since the beginning of the College year, while only one had worsened.

Referring to risk 6 (Voice), the Vice Principal (Curriculum & Quality) reported that the College had developed a learner involvement strategy, which included learner forums and class representatives: feedback had been very good, and useful to the College management. The College now reported its response to learner feedback on notice boards.

Referring to risk 10 (Safe and Secure), the Principal reported that the College had been very active in this area: there was a College Health & Safety Committee, and a nominated Governor.

Referring to risk 11 (Employer and Community Engagement), the Principal reported that this had been affected by the departure of the Director of Business Services: the College would re-engineer the delivery of employer engagement, by giving employer contact to the people who would be delivering the training, rather than having it handled by an intermediary.

Referring to risk 13 (Financial Viability), the Principal reported that the College's concerns regarding Employer Responsive funding for 2010/11 had turned out to be unduly pessimistic.

Referring to risk 16 (Sustainable), the Principal reported that the College hoped to be able to achieve a Low rating for this risk.

The Committee asked how the College added new risks, to which the Vice Principal (Finance and Corporate Services) replied that the whole register was reviewed at least once a term, and regularly re-assessed by the Senior Management Team.

***The Committee noted the risk management report.***

**8. AUDIT COMMITTEE ANNUAL REPORT 2008/09**

***The Audit Committee annual report for 2008/09 was approved, and duly signed by the Chairman.***

The Chairman asked the Clerk to write to the auditors, to encourage them to provide the necessary papers in time for next year's report to be submitted to the Committee's meeting in the Autumn term.

Clerk

**9. ANY OTHER BUSINESS**

There was none.

The meeting ended at 7:25pm

**CHAIRMAN**