

MINUTES

Audit & Governance Committee No 9

Date: *07/02/2017*
(*Tuesday*)

Time: *18:00–20:30*

Venue: *Rural Business*
Centre

Committee: *Audit and Governance*

Notes: *Refreshments will be available from 5.30pm.*

Present: *Adrian Boreham, Garry Payne (Vice Chairman), Gerry Corless (Chairman) and Jane Booker*

Attending: *Ann Turner (Principal) and Paula Lister (Deputy Principal)*

Clerks: *Ron Matthews (Clerk) and Susan Whiteside (Deputy Clerk)*

Guests: *Michael Harding (Internal Auditor)*

Apologies: *Grace Power and Ishwer Tailor (Co-opted Member)*

Public Minutes

Item
number:
(and
category)

Item description:

Queries:

01.17 ***Attendance of College Management Staff and Internal Auditors***
Decision

Section 8.1 of the current Constitution and Terms of Reference for the Audit and Governance Committee states, 'the Principal or any other senior manager who is responsible for the College's internal control and a representative of the Internal Auditors

shall normally attend meetings at the invitation of the Committee and the Committee shall have the power to invite such other persons to attend meetings as may be desirable or necessary'.

Audit and Governance Committee confirmed it wished College Management staff and the Internal Audit representative to be in attendance at the meeting.

02.17 *Apologies for Absence*

Record

Grace Power and Ishwer Tailor were not in attendance at the meeting.

03.17 *Public Minutes of Previous Meeting*

Decision

The public minutes of Audit and Governance meeting number 8 held on Tuesday 2 November 2016 and published on the extranet were signed and agreed as a true and correct record of the meeting.

04.17 *Declarations of Interest*

Record

There were no declarations of interests made in respect of the items on the public agenda.

05.17 *Internal Audit Reports - November 2016*

Decision

Audit and Governance Committee gave consideration to the Internal Audit reports:

UK Visa and Immigration - Compliance Review

The review identified that the College has in place an appropriate control framework relating to UKVI Compliance and testing demonstrated that the controls were well designed and complied with legislation.

There was one low level recommendation made concerning literature for students. In response the FE prospectus would be amended to state that the English qualification requirement be 'lower intermediate' so complying with the UKVI Tier Four requirements.

Members noted that for the 2015 / 16 and 2016 / 17 academic years there had been a 100% acceptance rate for Tier 4 visas. This control was monitored externally by UKVI and could be considered a risk to the College as, given the low number of applicants, a single application rejection would result in the College exceeding the 10% limit set by UKVI for Tier 4 application

refusals. Members were interested to learn if the low numbers would be taken into account should this occur.

Framework for Compliance with the Counter Terrorism and Security Act 2015, including the Prevent Duty.

The audit was designed to assess the College's compliance with the key elements of the Prevent Duty Guidance, and included consideration of policies and procedures, partnership arrangements, monitoring and reporting arrangements, and risk assessments and action plans.

Two low priority actions were raised. The first concerned the arrangements for ensuring that subcontractors and visitors were aware of the College's processes and procedures and would be addressed by additional information at Reception sign in points and on visitor lanyards.

The other concerned the College's prayer and faith room facilities and would be addressed through inclusion of 'check sheets' to monitor that there was regular and recorded checking of the rooms. In addition, layout of the room in the library would be considered and the room only be promoted for weekend and holiday use when the main room in The Core was not available.

An area of good practice was identified concerning the live Student Register System to report and monitor safeguarding and Prevent concerns in relation to individual students.

In response to questions members received assurance on the procedures concerning visitor access, identification, arrival, supervision and departure.

Members noted that for both audits the benchmarking data confirmed that Myerscough College was performing above the Auditors' other client institutions in the sector, based on individual totals and the overall total of management actions issued.

Resolved:

That the Internal Audit Reports be received.

06.17 *Internal Audit Progress Report and Summary Report* *Consultation*

Audit Committee considered the progress made in respect of the issues raised in the internal audit reports detailed in the Progress Report and Summary Report which showed that of the 32

actions 29 were implemented, one was ongoing and two were not yet due.

Audit & Governance Committee expressed satisfaction with progress made.

Resolved:

That the Internal Audit Progress Report and Summary Report be received.

07.17
Decision

Strategic Risk Report

Audit and Governance Committee at its meeting in November 2016 had proposed a revised approach to monitoring risk. Strategic risks would be managed at Board level and other risks at operational level with Committee involvement. This approach had been endorsed by Corporation at its meeting in December 2016 and from this date Committees would be monitoring the risks relevant to their function. Risks were referenced to the College's strategic objectives. Risks had been scored using a 5x5 matrix and scored according to pre mitigation actions, 'inherent' and post mitigation actions, 'residual'.

Audit & Governance Committee proceeded to consider the overall strategic risks and specific Governance risks. From the detailed discussions various changes were proposed to the register. The first being to widen the scope of 1a or introduce a new risk to ensure adequate monitoring of Apprenticeship & Skills, members were considering Government policy and referred to the forthcoming apprenticeship levy. The risk from Area Review was considered to be reducing as draft recommendations had been made. Changes to the Governance risks included amendments to the wording and terminology, some amalgamation and a change to some scoring.

Resolved:

That the Strategic Risk Register and amendments be agreed.

08.17
Information

Data Returns Report

In compliance with the Financial Memorandum, Audit Committee gave consideration to the Data Returns report.

The December 2016 full return had been submitted a day late at the request of the Skills Funding Agency as it resolved a problem with its system. Other submissions had been completed within

time frames to the relevant authorities.

Resolved:

That the Data Returns Report be received.

09.17
Information

Subcontracting Arrangements

Audit & Governance Committee gave consideration to the report on the current level of Subcontracting for 2016 / 2017 which was issued to the Committee as prescribed by the funding body. Monitoring of the various activities contributes to the Board's assurance framework.

The report provided detail of numbers enrolled, the funding value, success rates and the reasons for subcontracting the provision. Audit arrangements ensured College complied with SFA requirements regarding providers who subcontract to a value in excess of £100k funded provision.

Members questioned and commented on the report.

'Real Skills' had been added through a direct request from EFA concerning an intervention by them in the Merseyside area when their main contractor received an 'inadequate' Ofsted inspection.

Management continued to review the provision and was currently in talks with a national company who were interested in regional training centres.

Lower success rates with one particular subcontractor were largely due to maths and English results, performance was being closely monitored and College had considered non-renewal for the next academic year.

Members noted that the Subcontractor Policy and Procedures would be submitted to Finance & Resources Committee for approval.

Members noted the subcontracted provision widened participation and served local community needs.

Resolved

That the Subcontractors Arrangements Report 2016 / 2017 be received.

10.17 Corporation Vacancies

Information

Members gave consideration to membership of Corporation.

Following consideration of the report of the Interview Panel Corporation at its meeting in January 2017 had confirmed the appointment of David Hall, Regional Director of the National Farmers Union, as a Governor of the College with effect from 1 April 2017 for a four year term of office.

Inductions would be arranged for David Hall and with Julie Hughes who had commenced her four year term of office.

Consideration was given to future vacancies and to ensuring the position of a Safeguarding Governor remained filled. Jane Booker was recommended for the role. She had expressed interest in the role and would become Link Governor for Safeguarding from 1 January 2018.

No other vacancies would arise until December 2017.

Resolved:

- 1. That Jane Booker be recommended as Safeguarding Governor from 1 January 2017.**
- 2. That the report on membership of Corporation, appointments and vacancies be noted.**

11.17 Corporation Quality Improvement Plan

Information

Audit & Governance Committee gave consideration to the updated QIP.

The Clerk outlined progress against the six areas of improvement which related to knowledge and information concerning Area Review, increased utilisation of the Governor Extranet, challenge in meetings, increased participation in the Governor Engagement programme, knowledge and understanding around external stakeholders and ensuring the prompt filling of Governor vacancies. Members expressed satisfaction on progress against the agreed actions.

Resolved:

That the Corporation Quality Improvement Plan update 2016 / 2017 be received.

12.17***Governor Training - Away Event 2017****Decision*

Following consideration at the Corporation meeting held in January 2017 Audit & Governance Committee gave consideration to the planned Governor Away Event.

It was recommended that the event be held in-house between 9.30am and 4.00pm and take place on the 21 or 28 April with Governors asked about their availability on those dates and to contact the Clerk regarding input into the agenda.

Resolved:

That the arrangements for the Governor Away Event be noted.