

THE SIXTH FORM COLLEGE, SOLIHULL

Audit Committee

Minutes of a meeting held on Wednesday 9 September 2015 at 4.30pm (rescheduled from 30 June 2015).

Present: Peter Farrow (Chair), David Munton (Vice-Chair)

Clerk: Janice Hamilton

Secretary: Janet Parkes

In attendance: Louise Tweedie [Baker Tilly], Nick Simkins (Moore Stephens)
Clare Sutton [Director of Finance] for items 5 - 10

Peter Farrow opened the meeting by congratulating Louise Tweedie on her appointment as director at Baker Tilly. She had joined the company as a graduate and has had a link with the College for many years.

1 Apologies were received and accepted from Katie Chester. Apologies for late arrival had been received from Nick Simkins.

2 Declaration of Interests

The Clerk must be informed of any changes to members' declaration of interest form as and when a change takes place. Governors must declare the nature and extent of any financial and personal interest in any agenda item and must take no part in the consideration of that item or vote on any question with respect to that item, or form part of the quorum. Governors must withdraw where requested to do so by a majority of the members of the Board present at the meeting.

The Chair informed the meeting that the Clerk attends all Board and Committee meetings. If she is requested or required to answer questions or to present a paper in her role as Vice-Principal, a Temporary Clerk will be appointed for that part of the meeting.

Resolved: the Clerk will present item 5 Risk Management and item 11.1 Funding requirements audit report in her role as Vice-Principal; Janet Parkes will be Acting Clerk for that item.

Governors noted the College Mission and guidance on presentation of papers.

3 Minutes of previous meeting held on 21 April 2015 were agreed and signed.

4 Matters arising

Item 5, Risk Management: following the HR Committee meeting, documents relating to the outsourcing of IT services had been emailed to David Munton.

Item 6, Financial Procedures: at the suggestion of David Munton, the overall credit card facility was reduced.

Item 12, Rules on Acceptance of Gifts & Hospitality: an amendment had been made regarding aggregate value, and this had been approved by Committee members.

Resolved: that Janet Parkes be Acting Clerk for item 5.

5 Risk Management Termly Review

Confidential item, minuted separately.

6 Internal Audit Strategy 2015/16 to 2017/18 and Annual Plan 2015/16

Peter Farrow drew attention to the fees which had been the subject of some negotiation. Louise Tweedie said the costs are for the same number of days as previously planned, and that the three-year strategy had been prepared in line with good practice in the sector although the plan is revisited annually. Attention was drawn to the plan on page 6.

7 Audit Committee Opinion on Effectiveness and Efficient Use of Resources, Solvency of the College, and Safeguarding of Assets

David Munton commended the documents to the Committee. In response to a question from the Clerk, Louise Tweedie remarked that there are experienced governors on this Committee and we are further ahead than most other providers. Janet Parkes maintains a tracking sheet of documents that go to the Board and committees which address audit opinion. Information from this report will be included in the Audit Committee's annual report.

8 Proposal for Discontinuation of Audit of Support Staff Pension Scheme Contributions

Clare Sutton explained that the audit of the Teachers' Pension Scheme will continue, although the AoC is lobbying against this. Information provided by our in-house payroll provider is already checked internally. There is currently no separate audit fee for the pension certificate therefore no saving to be made.

Resolved: the Committee approved the discontinuation of audit of support staff pension scheme contributions.

5.05pm Nick Simkins joined the meeting. He was welcomed to the meeting and introductions were made.

9 Appointment of Moore Stephens LLP as External Auditor for 2014/15

Due to the merger with Chantrey Vellacott DFK LLP, the College is required to approve the appointment of Moore Stephens LLP with effect from 1 May 2015. The details for independent access to the Committee had been amended.

Resolved: the Committee approved the appointment of Moore Stephens LLP as external auditor for 2014/15.

10 External Audit Planning Letter

Nick Simkins confirmed that he has discussed the plan with Clare Sutton.

5.10pm Clare Sutton left the meeting.

The same team as last year will be carrying out the audit. Nick Simkins drew attention to the risks on page 7, and confirmed that work regarding staff costs will include looking at joiners and leavers. The audit fees on page 9 are as previously agreed. Whilst no issues are expected, the fee would increase if assumptions are not met. Nick Simkins confirmed that a regularity audit will be included, based on the self-assessment questionnaire which the College completes. David Munton referred to section numbers 28 and 29 in the terms, and number 50 in the planning letter,

regarding liability. Nick Simkins agreed to check the wording before the planning letter is signed.

11 Internal Audit Reports

Louise Tweedie said future reports will be in the new format. Both versions will be available to the College: the full versions will be available in the Governor Folder, and the shorter versions will be presented to the Committee.

12 Performance Indicator Questionnaires for Internal Audits

Confidential item, minuted separately.

13 Audit Action Plan

Peter Farrow highlighted that due to the rescheduling of this meeting, it looks as if some deadlines had not been met, when in fact they have. Actions from reports discussed at this meeting will be added, and an updated action plan presented to the next meeting.

14 Whistleblowing Policy & Procedures

The Clerk explained that amendments had been made to take account of any issues of a malicious nature. The references to 'in good faith' have been replaced with references to disclosures made 'in the public interest' (reference The Enterprise & Regulatory Reform Act 2013). A flowchart has also been added as an appendix. David Munton queried the process for appeal, and it was agreed that section K.2 should be reworded. The amended document will be emailed to members of the F&GP and Audit Committees for their approval.

Resolved: subject to amendment to section K.2, the Committee approved the Whistleblowing Policy & Procedures.

15 Determination of Confidential Items

Resolved: that the following items be deemed confidential and minuted separately: item 5 Risk management; item 6 Internal audit strategy and annual plan; item 11 Internal audit reports; item 12 PI questionnaires.

16 Review of the Meeting

The Chair drew attention to the proformas, and invited members to complete the form and hand to Janet Parkes at the end of the meeting. Two out of a possible two forms were returned, both with positive responses. Comment: good meeting.

17 Date of next meeting: 1 December 2015 at 4.30pm.

Apologies in advance from David Munton.

18 Draft Self-Assessment Questionnaire (Regularity Audit)

The new document had been completed and provided for information at this meeting. Peter Farrow agreed to come in to College at the end of September to audit the evidence. Janet Parkes will liaise with him and Clare Sutton for potential dates.

Provided for information: New Joint Audit Code of Practice

The meeting closed at 6.00pm.