

MINUTES

**Minutes of a meeting of :
the Corporation's Audit Committee
Held on Wednesday 01 October 2008 at 5pm
In Hollands House Boardroom, Yeovil College**

Members: *Ken Comber [Co-opted]; *Derrick Goddard; *Derek Esp (up to minute A.08.41); Tim Sweeney; *Paul Taylor [Chair]

In attendance: *Paul Bowe; *John Chell (up to minute A.08.38); *Lily Garth; *James Hampton (minute A.08.40 onwards); *Bentley Jennison [*Caroline Edwards and *Karen Williams] (up to minute A.08.40); *Janice Tipper

** Indicates actual presence at this meeting*

A.08.31	<p>Declaration of members' interests None declared.</p>	
A.08.32	<p>Apologies for absence These were received from member Tim Sweeney.</p>	
A.08.33	<p>Minutes of the meetings held on 09 June 2008 The Committee AGREED these as a correct record and approved the non-confidential set for website publication. They were signed by the Committee Chair.</p>	
A.08.34	<p>Matters Arising from the minutes The Action & Query sheet was reviewed and noted. An updated version of the sheet will be distributed with these minutes.</p>	Lily Garth
A.08.35	<p>Internal Audit Recommendations (standing agenda item) The Committee reviewed Paper 1 which was presented by the Vice Principal Resources, Paul Bowe.</p> <p>The Committee noted this report and AGREED the revised action dates. This resulted in dropping A.07.27 (IT Stock Check/Asset Control) from the Action & Query sheet to avoid duplicate monitoring.</p> <p>The Committee was assured that the revised completion date (as agreed by the Resources Committee) for the Financial Regulations would be met.</p> <p>During discussion, the Committee focussed on the two IT Controls actions (Asset Registration System and Disaster Recovery Planning). The audit advisory allocation (w/c 20 October) on Disaster Recovery was noted. The reassuring fact that back-ups could be kept on both the Mudford Road and Preston Road college sites was noted. It was also noted that the external auditors had never raised an issue in respect of the Physical Asset Verification action.</p>	
A.08.36	<p>Internal Audit Annual Report 2007/08 The Committee reviewed Paper 2 which had been approved by David Taylor as Head of Internal Audit and which was presented by his colleague Karen Williams of Bentley Jennison.</p> <p><i>Confidential minute A.08.36C relates to this section</i></p>	

A.08.37	<p>Alteration to the order of the agenda business The Committee AGREED that the order of agenda business for this meeting would be altered</p>	
A.08.38	<p>Internal Audit Reports The Committee reviewed Paper 4 (Estates Management Report) which was presented by Karen Williams.</p> <p><i>Confidential minute A.08.38C relates to this section</i></p> <p>It was noted that the final version of the Partnerships Report which had been scheduled as Paper 5, was not quite ready. It would therefore be considered at the next meeting.</p> <p>It was noted that the IT Healthcheck would have to be re-performed due to issues with the particular auditor who had carried out the work and the resultant loss of the information. Bentley Jennison apologised for the inconvenience and stated their intention to add value to the process (e.g. data security) when the audit was redone. They also confirmed that this issue did not impact on the Annual Report.</p>	<p>BJ / SLT</p> <p>BJ/ SLT</p>
A.08.39	<p>External Audit 2007/08 The Committee received a verbal update on this item from Paul Bowe.</p> <p>A new team from the external auditors, Baker Tilly, were scheduled to begin their work in early November with a mid-November completion deadline. College management had explained performance expectations to the new team.</p> <p>It was AGREED that when Baker Tilly presented their work at the 01 December Audit Committee meeting, they would also explain to the Committee the strategy and approach which they had used in planning their work and reaching their conclusions.</p>	<p>Baker Tilly</p>
A.08.40	<p>Risk Management Review and Risk Register Update The Committee reviewed Paper 6 which was presented by Paul Bowe.</p> <p><i>During this discussion, James Hampton joined the meeting.</i></p> <p>Points covered in discussion were:</p> <ul style="list-style-type: none"> ➤ Funding Methodology and Risk Management (referring back to the June awayday presentations) ➤ Reassurance levels in relation to business and disaster recovery ➤ Ongoing changes in Teaching and Learning due to the Summer appointment of the new Vice Principal for Learning and Quality, Cliff Shaw ➤ Significant improvement in data collection ➤ Tensions with some staff over aspects of the increased robustness and business emphasis in the college's planning and operation ➤ Risk register presentation (the Committee noted that time had been booked with the internal auditors to assist with the improvement of this) ➤ The importance of increasing staff's understanding and ownership of risk – (e.g. by discussing risk in appraisals) <p>It was AGREED that risk management (and specifically the risk</p>	<p>Paul Bowe /</p>

	<p>register) would be revisited at the December meeting.</p> <p><i>Bentley Jennison then left the meeting.</i></p>	BJ
A.08.41	<p>Self-Assessment of the Audit Committee and Annual Assessment of the effectiveness of Internal Controls</p> <p>The Committee reviewed Paper 7 which was presented by the Clerk, Lily Garth. The Committee then utilised the suggested questions in section 5.2 to carry out its annual self-assessment with particular reference to the effectiveness of internal controls.</p> <p>Because of the detail and significance of the Committee's self-assessment discussions, it was AGREED that the Clerk would draw up and distribute an appendix to these minutes reflecting the Committee's conclusion and listing appropriate evidence against the questions and the Committee's Terms of Reference. The outcomes would also help to inform the Committee's Annual Report which would be presented in December, as per the agreed Work Programme.</p> <p><i>Derek Esp then left the meeting.</i></p> <p>It was noted that the meeting remained quorate.</p>	Lily Garth
A.08.42	<p>Internal Audit Performance</p> <p>The Committee utilised Paper 3 to review the performance of Bentley Jennison during 2007/08 and to establish annual performance indicators for 2008/09.</p> <p>The Committee AGREED the following:</p> <ul style="list-style-type: none"> ➤ The IAS's relevant Performance Indicators for 2007/08 (Bentley Jennison's first year as the college's IAS) were all rated at either 1 or 2 (i.e. highly satisfactory) ➤ The Indicators on Paper 3 (plus 2 additions and 2 amendments) would be utilised to assess the IAS performance during 2008/09 ➤ The Clerk would electronically update the 2007/08 results and 2008/09 indicators and distribute them to the Committee and IAS along with these minutes ➤ If the IAS wished for further guidance on improving their performance ratings during 2008/09, college management and the Clerk would be happy to discuss this. 	Lily Garth
A.08.43	<p>Any Other Business</p> <p>None.</p>	
A.08.44	<p>The Committee were reminded of the following meeting dates for 2008/09:</p> <ul style="list-style-type: none"> ➤ Monday 01 December 2008 at 5pm ➤ Wednesday 18 March 2009 at 5pm ➤ Monday 01 June 2009 at 5pm <p><i>Meeting closed at 6.50pm</i></p>	