

**BARTON PEVERIL COLLEGE**  
**Audit Committee**  
Minutes of Meeting held on  
Tuesday, 2 March 2010 at 5.30 pm

**Present:**

Mr N Tustian (Chair)  
Mr A Renwick  
Mr C Tapp  
Mr S Vincent-Marshall  
Mrs S Weavind

**In attendance:**

Prof R Brown  
Mr N Groves (Vice Principal (Planning and Resources))  
Mr G Miles (Director of Finance)  
Mrs R Medd (Clerk)  
Mrs J Miles (Assistant to the Clerk)

**Apologies:**

Mrs K Shaw (Hampshire Audit Services)

**Absent:**

Mrs S Guy

		<b>Action</b>
<b>443</b>	<b>Preliminaries</b>	
<b>443.1</b>	The Chair welcomed Mr Renwick, who was returning to the Audit Committee after stepping down as Chair of the Corporation and Prof Brown, who was observing.	
<b>443.2</b>	Mrs Shaw had asked to be excused from attending as her department was very understaffed. There was no audit report on the agenda and no confidential issues had been raised.	
<b>444</b>	<b>Declaration of Interests</b>	
	No member of the Committee had anything to declare relating to the items on the agenda.	
<b>445</b>	<b>Equality and Diversity Issues arising from the Agenda</b>	
	Members were reminded of the need to consider Equality and Diversity issues when discussing items on the agenda. The Vice Principal (Planning and Resources) (VPPR) stated that Safeguarding was being looked at in the Risk Management Committee as a new risk.	

**446 Minutes**

**446.1 Minutes of the meeting held on Thursday, 26 November 2009** were confirmed as a true record and duly signed by the Chair. The Chair confirmed that the minutes could be published on the intranet and website.

**446.2 Matters Arising from the Minutes**

All matters arising had been actioned. The updated Action Points sheet would be kept as part of the Committee’s records.

**447 External Audit**

**447.1 Review of Performance Indicators (PIs)**

The VPPR presented his paper, apologising for misdating the paper and stating that there were no issues with the auditors or with the service provided for 2008-2009 and therefore the scores were high. The Chair stated that there was some difficulty in reflecting critically as the Committee sees the outcomes but not the internal workings. Members concurred that this was a good team of auditors who were very good at communicating with the Audit Committee and responsive to comments made.

**447.2** The background of the PIs was explained and members were advised that the auditors’ work was very process driven and that they added value in terms of advice given from their specialist education section on issues such as:

- VAT
- disposals
- removal of existing buildings
- FRS17
- good practice as identified from other institutions

**Agreed Actions**

**Members agreed that:**

- **for 2008-2009 the Committee could mirror the management scores, adding that a comment could be made against 4 to the effect that very competent reports are presented to the Committee**
- **at the following meeting, when the External Auditors would be present, the Committee would discuss PI 4.1, added value and, in confidential session, the relationship between the Management and the Auditors**

**447.3 Setting of Performance Indicators for the coming year**

Members considered the proposed PIs

**Agreed Actions**

- **The Chair would research quantitative work done by auditors at Eastleigh Borough Council and e-mail members if he had any amendments to suggest to the proposals**
- **The VPPR would provide some examples for column 4 in future**
- **‘the Learning + Skills Council’ would be replaced by ‘the Funding Bodies’**
- **Members unanimously provisionally approved the proposed PIs for 2009-2010, subject to any amendments suggested by the Chair**

**447.4 Consider re-appointment**

Members were advised that the External Auditors’ contract was renewable annually in July and that tenders were last invited in February 2008. Baker Tilly had been the

VPPR

Clerk

Chair  
VPPR  
VPPR

College's External Auditors since May 2002 but that there has to be a change of either Partner or Audit Manager every three years.

**Agreed Action**

**Members unanimously agreed that the current contract should be rolled forward for a further year**

**448 Internal Audit: to discuss re-tendering after seven years**

A potential conflict of interests had been raised resulting from the imminent changes in funding bodies and the fact that the Local Authority would be one of the organisations administering funding for the College and Hampshire Audit Services (HAS) being part of that Local Authority. The College's Internal Auditor had been very clear that HAS was a separate organisation. Members discussed:

- the possible conflict of interest
- the consultation paper on the new Audit Code of Practice (ACoP)
- whether the College could be proactive and offer a view that no conflict existed, the College would continue to tender and that HAS would be invited to tender

**Agreed Action**

**Members unanimously agreed that:**

- independent advice should be sought
- the matter should be deferred to the next meeting
- the contract for HAS may need to be extended temporarily

Clerk  
Clerk  
Clerk

**449 Risk Register: Summary Review, including Termly Risk Management Assessment**

**449.1** The VPPR presented the Termly Risk Management Assessment, stating that since it had been written he had attended a meeting of the Hampshire Finance Directors where there had been an informative discussion on travel expenses and conditions associated with approval of such payments, which would result in some work for the Risk Management Group to consider.

**449.2** During Inspection the Provider Financial Assurance (PFA) Auditor had said that the College's Risk Register was an exemplary document.

**449.3** It had previously been proposed that only the top ten risks would be presented to the Committee. Members debated the role of the Committee in Risk Management and whether the Register needed to be presented to Corporation. The Chair suggested elevating the strategic risks through a 'Risk Map' of the top five strategic risks. The Corporation Chair asked for a summary of the expectations made of a corporation in relation to risk in a college.

VPPR  
Clerk

**450 Annual Report on Data Protection Act and Freedom of Information Act Requests**

**450.1** One particular item in the Annual Report resulted in a debate on the difference between Freedom of Information and Data Protection. It was confirmed that in cases of uncertainty as to whether information could be given the College consults the Information Commissioner's office for advice.

450.2	Members noted the content of the report and the proposed minor amendments to the Data Protection Policy. This was a Category 1 Policy but it would not need to be presented to Corporation for approval because only minor changes and updates to the policy were proposed. The Committee agreed this was the case.	Chair
451	<b>Learning + Skills Council Validation Visit Draft Report</b>	
451.1	The VPPR advised members that the paper circulated with the agenda had been produced on the day of the PFA visit as interim feedback and that subsequently it would have been presented to the Auditor’s manager. A formal report was expected in due course, which would require a response and may result in an Action Plan.	
451.2	Members noted the content of the report.	
452	<b>Report on Complaints about Governance</b>	
	The Clerk advised members that no complaints had been received.	
453	<b>Health and Safety Governor’s Report</b>	
	No report was available.	
	<b>Agreed Action</b>	
	<b>The Health and Safety Governor would be reminded that a report was required</b>	Clerk
454	<b>Outstanding items from previous Audit Reports</b>	
	The VPPR presented the Monitoring Statement. Actions were completed or ongoing. The Communications Policy had been drafted and would be presented to the Senior Leadership Team (not Corporation) for approval.	
	<b>Agreed Action</b>	
	<b>The older, completed items on the Action Plan would be removed</b>	VPPR
455	<b>Committee Business</b>	
455.1	<b>Annual Review of Terms of Reference</b>	
	Members approved the updated Terms of Reference.	
	<b>Agreed Action</b>	
	<b>More generic terms would be inserted to replace the names of the funding and regulatory bodies</b>	Clerk
455.2	<b>Election of the Chair</b>	
	Mr Tapp took over the Chair and ascertained that Mr Tustian was willing to continue in his role as Chair of the Committee. There being no other nominations, Mr Tustian was unanimously elected and resumed the Chair.	

**456 Standing Items**

**Risk Register**

This subject had been covered earlier in the meeting.

**457 Information Exchange**

- Members were reminded of the Strategic Planning Awayday to be held on 6 March 2010
- A volunteer was required to attend the next Health and Safety meeting and Mr Renwick said that he could attend
- Mr Tapp was thanked for all his work on the Audit Committee as this was his last meeting before the end of his term of office as a Governor

**458 *Date of next meeting: Tuesday, 15 June 2010 at 5.30 pm in the Conference Room***

The meeting closed at 6.50 pm.