

**CARDINAL NEWMAN COLLEGE
BOARD OF GOVERNORS – AUDIT COMMITTEE (INQUORATE MEETING)**

A meeting of the above Committee was held at 4.00 p.m. on Wednesday 8th June 2016 in the Conference Room at the College.

Members present:

Peter Halpin, Chair
Father Tim O’Sullivan

Officers in attendance:

Bob Deed, Clerk
Nick Burnham, Principal (for item 7)
Justine Barlow, Vice Principal (item 7 and 8)
Katie O’Reilly, Director of Corporate Resources

Apologies:

John Calvert
Peter Towers

Others in attendance:

Gareth Hitchmough, Mazars
Chris Barstow, Mazars

MINUTES

1 Opening prayer

The meeting commenced with a prayer.

2 Welcome, introductions and apologies

The Chair welcomed Chris Barstow of Mazars, the new audit manager for the College.

The apologies of John Calvert and Peter Towers were received. The Clerk noted that the meeting was inquorate as three governors were required for quoracy. However, he advised that the meeting could proceed although it was unable to make any decisions.

The Clerk noted that there was no Reserved Agenda for the meeting.

3 Declarations of interest

There were no interests to be declared.

4 Minutes of the last meeting

No errors were noted but the meeting could not formally confirm the minutes as it was inquorate.

5 Matters arising from the minutes

There were no matters arising not covered by the agenda.

6 Rolling Audit Action Plan: Update Report

The progress in implementing audit recommendations was noted including the introduction of the OLAS tracking tool.

7 New assurance reports

The Finance Manager noted that the Financial Systems Healthcheck review by the accountancy firm RSM concluded giving “substantial assurance” and identified no major issues. The three recommendations were being implemented.

The Principal introduced the Safeguarding assurance report and associated action plan. The assurance review had been undertaken by an experienced inspector. Glad Capewell was positive about the College’s Safeguarding procedures.

In relation to PREVENT, the Principal noted that the College has integrated British values into Year 12 RE and tackled radicalisation in Year 13. Only Year 12 students has been interviewed due to the timing of the visit.

The Committee asked about links with external agencies. The Principal explained that the regional FE/HE PREVENT coordinator had visited to train staff. The College had liaised with the police as necessary including through the CHANNEL programme.

The Committee asked about the Safeguarding annual report. This will be received by the Governing Body in September 2016. The Vice Principal confirmed that a PREVENT risk had been added to the risk register. This would be going to the next Governing Body meeting.

The Chair queried why there were two Safeguarding risks on the risk register. The Principal explained that these covered two different aspects: one was about procedures in relation to students; whereas the other was about issues related to staff such as DBS.

8 HEFCE data quality audit letter

The Vice Principal introduced the recent correspondence from the Higher Education Funding Agency. This arose from the HEFCE desktop review of the data quality of the Key Information Set. HEFCE identified some minor issues requiring corrections.

The Vice Principal was thanked for her work on Higher Education provision.

9 External audit planning strategy

Gareth Hitchmough, external audit partner at Mazars, introduced the Audit Strategy Memorandum. He outlined recent developments in the sector including more interventions from the FE Commissioner and some moves from banks adversely affecting colleges. He highlighted the challenges and work associated with the new accounting standard FRS102. The additional fee associated with FRS102 was noted. Any change in fee outside the range indicated would be communicated to the College. He noted that an error by Mazars caused a delay in Mazars filing the Newman Business Limited company accounts. Mazars had agreed to bear the costs of a Companies House fine.

The Chair asked about the governors understanding of the implications of FRS102. The Director of Corporate Resources noted that a report was being provided to the Finance and Premises Committee. The main area where the College was affected was the new requirement for a holiday pay accrual.

In the absence of quorate meeting, Gareth Hitchmough suggested that the College would need to put in place alternative arrangements to agree to the proposed audit fees and engagement letter with Mazars.

10 Risk Management: Termly Update Report

The Committee noted the changes to the risk register including the inclusion of colour coding to highlight those risk owners who had presented to lead committees for particular risks.

11 Assurance plan update

The Clerk noted that the assurance plan for 2015/16 was complete unless the Committee favoured additional external reviews being commissioned. He proposed that the October meeting of the Committee would be the appropriate time for a new assurance plan to be considered in the light of discussions around a new College Strategic Plan and preparations for the Area Review.

The Clerk noted the views of the Committee members present that the assurance plan should be reviewed at the next meeting reflecting developments including the new strategic plan and the Area Review.

The Chair asked whether the College's new and growing Higher Education provision should be considered as an area for assurance review. The Director of Corporate Resources noted the recent rigorous review by the Quality Assurance Agency.

The Chair noted the external review of networks as an example of a mechanism which could provide assurance. The Director of Corporate Resources highlighted the contribution of consultancy and assessments more generally in providing assurance with, for example, fire assessments.

The Clerk noted the views of the Committee members that the risk owners should be reminded of the importance of noting sources of assurance.

The Committee asked about assurance in relation to the Clerk's independence. The Clerk noted that a draft policy on the independence of the post had been prepared for the Search Committee.

13 Date and time of the next meeting

The next ordinary meeting of the Committee is scheduled to be held at 4.00 p.m. on Wednesday 19 October 2016.