

CITY COLLEGE PLYMOUTH
CORPORATION AUDIT COMMITTEE

MINUTES OF THE MEETING OF THE CORPORATION AUDIT COMMITTEE HELD ON
WEDNESDAY 8th MARCH 2017 AT 4.30PM IN ROOM K021

MEMBERS PRESENT: Mr William Woyka – Chair – WW
Ms Cheryl Powell – CP
Prof Paul Brunt – PB – Specialist Non-Governor
Mr Andrew Ashley - AA

IN ATTENDANCE: Ms Nicola Cove – Deputy Principal – NC
Mr Mike Cheetham – RSM – MC
Ms Katie Skea – Francis Clark - KS
Mrs Julia Tindall-Jones – Clerk - JTJ

AU17/01 Item 1 – Apologies

All governors were present.

AU17/02 Item 2 - Minutes of the Last Meeting

RESOLVED that the minutes of the meeting of the Committee held on the 15th November 2016 were signed as a correct record.

AU17/03 Item 3 - Matters Arising

There were no matters arising not covered by other items on the agenda.

AU17/04 Item 4 - Confidential Business

RESOLVED that there were no items that should be treated as In Commercial Confidence and that there were no items that should be classified as Part II.

NOTED that no declarations of interest were made at the meeting.

AU17/05 Item 5.1 – Internal Audit 2016/17 – Assurance Review - Marketing

MC introduced the report on Marketing and asked Governors to note that it was advisory only. MC stated that the controls that are in place are robust and closely monitored. Two low level recommendations have been made, firstly where specific metrics had not been included in the 2016/17 and that future plans should be updated for these, and proposing an amendment to the campaign analysis template to include a section for lessons learnt and future actions. The Chair asked whether the Marketing Team had gained value from the review. NC responded that the focus of the review has been directed at a number of discrete themes, including general awareness raising with the community, marketing to learners, employers and, in particular, to SMEs and that the team had benefited considerably from the wide experience of marketing functions reviewed by the RSM team member across different sectors.

PB asked what kinds of benchmarks were used for measuring performance. NC replied that spend was the most tangible and the only sector specific metric available as activities were often too unique for wider national benchmarking. NC added that this was used to support annual budget setting. NC commented that as members of the Devon Colleges Group (DCG) and Collab (formerly known as 157 Group) it was possible to share more qualitative information and certain quantitative data and that this was proving useful to the College.

PB then asked how the Marketing Team performed overall. NC responded that the team was good and that its work through the year was supported by an operational plan which was very detailed and this supported budget setting. NC also commented that both the Head of Marketing and Director of Marketing, Corporate Relations and Enterprise had a very flexible approach during the year and ensured that the analysis of events and campaigns was very thorough. PB asked how much autonomy these key managers had and NC confirmed that is usual for all budget holders at this level, the SLT provided a framework to work within including targets and milestones but were not proscriptive in their approach.

AA commented that he was encouraged by the review and the emphasis placed on reaching local employers and was also impressed by the importance accorded to the analysis of campaigns and events.

The Chair then asked whether the total budget shown in the report included salaries and NC confirmed this was the case. Governors then discussed the importance of marketing the new STEM Centre to the local economy. NC confirmed that due budgetary provision had been made.

The Chair then asked whether the Marketing Team had experience cross sectors and whether it was allowed the same freedoms as in the private sector. MC commented that all marketing functions regardless of their sector are governed by the provisions set by the Advertising Standards Authority.

The Committee NOTED the Internal Audit Assurance Review of Marketing.

AU17/06 Item 5.2 – Internal Audit 2016/17 – Financial Controls – Income, Debtors, General Ledger and Cash and Banking

MC introduced the Internal Audit Report on Financial Controls specifically Income, Debtors, General Ledger and Cash and Banking and confirmed that Governors could take full assurance that the controls in place are suitably designed and consistently applied. MC stated that one low recommendation had been made pertaining to generic 'training' accounts. NC informed Governors that the 'training' accounts were owned by the College's software provider and College staff did not have the rights to access them. NC stated that the College already had a 'user audit' scheduled for April 2017 with the software provider and following the completion of that review would make any changes deemed necessary and appropriate. Any actions would be reported back to the Audit Committee through the usual action monitoring reports.

The Committee NOTED the Internal Audit Report on Financial Controls – Income, Debtors, General Ledger and Cash and Banking.

AU17/07 Item 6.1 - Internal Audit Progress Report 2016/17

MC introduced the Internal Audit Progress Report and informed the Committee that RSM would be conducting two more internal audits and a Lean/Efficiency Review the results of which would be brought to the July meeting.

MC then referred Governors to his brief on what's happening in the FE sector including the number of mergers nationally and the number of sixth form colleges that were converting to academies. Governors then discussed the impact of the Area Based Reviews both nationally and locally and agreed that it would be a smaller sector going forward. Governors then discussed the introduction of the Apprenticeship Levy and the impact it might have on the College with, potentially, an increase in competition. NC reminded Governors that this would be discussed in more detail at the upcoming Strategic Planning Day in April.

The Committee NOTED the Internal Audit Progress Report for 2016/17.

AU17/08 Item 7.1 – Internal Audit: Action Monitoring Report

NC reported that one action in IT General Controls regarding the implementing of automated alerts on the firewall is overdue. NC informed Governors that a better, more cost and time effective off the shelf solution has now been identified and will be installed shortly. The other IT issue re resilience arrangements following closure of Goschen is now complete.

NC concluded her report by saying that only one recommendation remains outstanding but not yet due and relates to the HR report, where three of the four aspects of the issue have been resolved but this cannot be fully signed off until the new in-house system which will provide an automated IT account closure process is fully operational in the summer term for students as well as staff. This will be completed by September 2017 as originally stated.

The Committee NOTED the Internal Audit: Action Monitoring Report.

AU17/09 Item 7.2 – Other Audit Reports Monitoring Report

The Committee NOTED that there were no issues outstanding in the Other Audit Reports Monitoring Report.

AU 17/10 Audit Committee Terms of Reference – Biennial Review

NC requested that this item be postponed until the next meeting of the Committee as a new ACOP (Audit Code of Practice) had been released that day and the current TORs would need to be reviewed and amended to reflect the published changes.

The Committee AGREED that the Review of the Audit Committee's Terms of Reference should be postponed until the July meeting.

AU 17/11 Date of the Next Meeting

The next meeting of the Audit Committee will be held on Tuesday 4th July 2017 in room K021 commencing at 4.30pm.

There being no other business the meeting closed at 5.15pm.

City College Plymouth
Audit Committee

SIGNED _____ DATE _____