

**BRIGHTON HOVE & SUSSEX SIXTH FORM COLLEGE**

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON WEDNESDAY 8<sup>th</sup>  
MARCH 2006 at 6.00 P.M.  
IN THE SPORTS CENTRE CAFE**

Present: Mike Bewlock, Jack Hazelgrove, Geoffrey Jarvis (Chairman), Altaf Razak, Ellen Walsh, Marion Wilcock.

In Attendance: Chris Thomson, Jutta Knapp, Louise Pennington.  
Tina Thorne - Hampshire Audit Services (Internal Auditors)

The meeting was quorate.

**Action**

**1. Apologies and Welcomes**

There were no apologies.

Altaf Razak was welcomed to his first meeting of the Audit Committee.

**2. Minutes of the Meeting held on 9<sup>th</sup> November 2005**

The Minutes were approved unanimously and signed by the Chairman as a correct record of the meeting. **FILE**

**3. Matters Arising**

**Item 8)c)**

JHK reported that the administration of the College's payroll had been transferred to another service provider in order to improve payroll management. It is intended that an audit of the new system will be included with the December Audit visit. **JHK**

**4. Review of Committee Members' Training Needs**

A discussion was held and the following points noted:

- a) An Audit Seminar for the College's Governors was held in 2003.
- b) It was suggested that Management might suggest relevant links visits for each individual Audit Committee Member, based on their professional background.
- c) Half an hour training session would be best immediately prior to a Committee Meeting, in respect of the Spring and Summer Terms (Autumn Agenda is already lengthy).
- d) MW suggested that one of her colleagues (public law and ex-Audit Commission) might be able to give a presentation to the Committee.
- e) Risk management training session was also suggested.

- f) Internal and/or external auditors could be asked to give a training session.

It was agreed that Ellen Walsh should liaise with JHK and LEP to agree the details and timing for the first training session.

MB joined the meeting at this point.

EW/JHK/  
LEP

## **5. Re-Appointment/Remuneration of Financial Statement Auditor**

It was resolved that the Financial Statement Auditor should be re-appointed and that remuneration should continue in accordance with the contractual terms agreed, subject to Corporation approval.

JHK/LEP

## **6. Performance Indicators for Financial Statement Auditors**

JHK presented the paper to the Committee and the details were approved and recommended to Corporation for approval.

JHK/LEP

## **7. Internal Audit Report December 2005**

Tina Thorne presented the paper to the Committee, the contents of which were noted. The following points were noted:

- a) Four areas were audited – risk management, governance and management, contract management and estates management.
- b) There were only four recommendations (low priority) arising from the Audit review – 2 relating to contract management and one relating to risk management and governance/management. It was noted that the all four recommendations had been actioned.
- c) JHK agreed to circulate the tender details within the financial procedures with the draft minutes.

JHK

## **8. Update on Internal Audit Recommendations**

The Committee noted that there were no outstanding audit recommendations.

## **9. Risk Management Report**

CT presented the paper to the Committee, the contents of which were noted. The following points were highlighted:

- a) The areas of work-based learning (WBL) and admissions have been tested recently and the controls in respect of the latter have worked well. With regard to WBL, owing to the limited information received from the LSC, it is impossible for the College's financial position to be monitored effectively in this regard. It was noted that a meeting had been held this week between SMT and three members of the LSC

CT

Sussex staff to address the College's concerns and it was agreed that a meeting should be organised to discuss BHASVIC's concerns with members of the LSC central office.

- b) The current admissions position was discussed and in particular the increase in both the number of applications to the College and the number of acceptances.
- c) Risk Management Action Plan – health and safety, “establish more effective procedures for challenging strangers on site” – It was noted that there was an on-going debate regarding the need to introduce student identification.
- d) It was agreed that attention should be given to meeting the target deadline for resolving any action required, bearing in mind that a number of the deadlines were set to be met by July 2005. It was noted that many of these were in progress, but not yet completed. CT agreed to review and update the schedule. CT
- e) JHK agreed to review the need to re-visit disaster recovery scenarios relating to global health scares such as bird flu. Ellen Walsh suggested that one of her colleagues, with knowledge in this area, may be prepared to give some advice on this. JHK agreed to notify Audit Committee Members of the next Disaster Recovery meeting, should they be interested in attending. JHK/EW

## 10. Option to Discontinue Interim Regularity Audit

JHK presented the paper to the Committee and the following points were made:

- a) Discontinuing the interim regularity audit is dependent upon the Corporation completing a statement on regularity, propriety and compliance in the form given in the Annex attached to the paper by 30/4/06 (to be signed by the Principal and Corporation Chairman).
- b) Full year regularity audit will continue to be completed with regard to funding usage.
- c) Cost of interim regularity audit which amounts to 2 days work is £3,000 - £3,500.

It was agreed to recommend to Corporation that the statement be signed but that the scheduled entitled “suggested sources of evidence etc” be placed on the back page of the statement. It was also agreed that specific details of the evidence suggested, be included for Governors' information at the Corporation Meeting on 30<sup>th</sup> March 2006. JHK

## 11. Any Other Business

- a) Committee Members were reminded that they were welcome to borrow the College's copies of Further Education finance and Handbook for Audit Committee Members in Further and Higher Education. Requests should be made to Louise Pennington.
- b) The Committee noted that Ellen Walsh would be succeeding Geoffrey Jarvis as Chairman of the Audit Committee with effect from 1<sup>st</sup> May 2006.
- c) On behalf of the Committee, CT passed on thanks to Geoffrey Jarvis for all his hard work as a Member and Chairman of the Audit Committee over the last nine years.

**12. Date of Next Meeting**

**Wednesday 10<sup>th</sup> May 2006.**

Louise Pennington  
Clerk to the Corporation

CHAIRMAN..... DATE.....