

HOPWOOD HALL COLLEGE

Minutes of a meeting of the **Audit Committee** held on Wednesday 22 April 2010 at 1000hrs.

Present	Alun Morgan	Clive Reid (Chairman)	Clint Street
In Attendance	Lydia Brown (PWC)	Ralph Devereux (Clerk)	Rachel Joyce (PWC)
	Monica Monighan (Finance Director) (Item 27/09a)	Kris Skelton (Dir for Students) (Item 27/09b)	John Spindler (VP FP&CD)
Apologies	David Newman (PWC)	Helen Knowles (KPMG)	

24/09 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS AND APOLOGIES

The apology was accepted. No notice had been received of any member becoming ineligible to hold office. The meeting was quorate and no interests had been declared.

25/09 MINUTES OF THE LAST MEETING

The Minutes of the meeting held on 1 December 2009 were confirmed and signed.

26/09 MATTERS ARISING FROM THE MINUTES AND NOTIFICATION OF URGENT BUSINESS

- a. re 16/09 WBL Issues. Structural changes in the WBL organization had now been completed resulting in a slimmer and more responsive team. The transfer of responsibility for the management of data to the main MIS team had now been completed and was working well.
- b. re 20/09. Football Foundation. The meeting with the Lancashire FA had now taken place and, after full explanation and joint examination of the several soccer initiatives in place, had closed on a high note. A 5 year soccer development plan was being detailed for submission to the authorities by the end of June.
- c. There was no urgent business requested.

27/09 REVIEW PART 2 AND PFA FEEDBACK (Out of Agenda order)

(See AC 15/09) Part 2 of the comprehensive internal audit study into the WBL processes had now been completed. Seven key point assessment areas had been fully explored, were fully documented and were fully discussed. The final part of the report directly related extracts from the LSC advice regarding partner providers to the actuality of completion and 12 recommendations had been determined. The PFA had now electronically responded and indicated that they were content with the outcome and the matter was now effectively closed.

The information was received and noted.

28/09 INTERNAL AUDIT REPORTS

The Finance Director joined the meeting

- a. Ordering and Payments. Moderate assurance on the adequacy and operating effectiveness of the ordering and payments processes had been given. Although only 2 low risk weaknesses had been identified, an outcome that would normally prompt a high level of assurance, inherent limitations on sound best practice (detailed in Page 1) caused by the low number of staff employed necessitated what could be seen as an overly negative assessment. In fact the department was in the process of restructuring following the retirement of the Financial Accountant, which should result in strengthening of processes. The committee noted the special circumstances and thanked the Financial Director for her attendance.

The Finance Director left the meeting.

The Director for Students joined the meeting.

- b. Achievement Target Setting. Moderate assurance on the adequacy and operating effectiveness of the achievement target setting processes had been given. Although only 2 low risk weaknesses had been identified, an outcome that would normally prompt a

high level of assurance, it had become clear that work was required to ensure the full integration of Pro-Achieve and to reduce paper backups. The committee took comfort from assurances, both internal and external, that these issues were being actively addressed and much had already been completed.

The Director for Students left the meeting.

29/09 FMCE

The LSC had concurred with the FMCE determination of Financial Health as "Good" (E&F 19/09) and a letter to that effect was circulated. This information complemented the LSC agreement to the assessment of Financial Health of "Satisfactory".

The information was received.

30/09 SUB CONTRACTOR ISSUES

a. Approvals. The more robust arrangements for approval of Executive Partner (sub-contractor) agreements were now established:

(i) Luis Michael; and

(ii) Construction Learning World Ltd.

had both been approved and agreed ad some further prospective partners were in the transition to full approval

b. Franchise Contract. Again, as part of the more robust approach to partnerships the formal contract with franchisees had been fully revised under advice and guidance from Evershed's. The SFA would replace the LSC logo as appropriate throughout the document. The contract was recommended to the Corporation or approval.

a. The information was noted.

b. The revised contract was recommended to the Corporation for approval.

31/09 RM POLICY

The improvement to documentation of the RM Processes continued, the latest draft was considered and discussed with thanks to the internal auditors who were providing considerable practical help with the development. Work would continue and it was hoped that the final draft version would be available for consideration at the forthcoming awayday when a focused session would address the difficult issues associated with rationalization of risk priority. The current draft was considered to be a great improvement to the former documentation and it was agreed as an easy to understand, practical management tool.

The information was received.

32/09 URGENT BUSINESS

There had been no urgent business requested.

33/08 DATE OF NEXT MEETING

The next meeting would be held on 14 June 2010.