

**Minutes of the Audit Committee Meeting
of the Corporation held at the College at 4.15 pm on
Monday 7 March 2016**

Members Present:	Ms L Carter Ms N Kanram Mr M Lawther (Chair) Mr A Minter Mr M Dawe (Co-optee)
In attendance:	Mr J Cox (Group Finance Director) Mr K Scribbins (Interim Clerk) Ms S Deol (MD Education and Skills)
Apologies:	Mr L Davies

M i n u t e s

Part 1 – Standing Items

800 Apologies for Absence

Apologies were received from Mr L Davies.

801 Membership

There were no membership issues.

802 Declarations of Interest

There were no new declarations

803 Minutes

The minutes of the meeting held on 19 November 2015 were **Agreed** as an accurate record, save for the correction to show that Mr Dawe had given his apologies for absence, and in Minute 796 ‘reduce’ should read ‘increase’.

804 Matters Arising

In respect of Minute 792 the Group Finance Director indicated that he had contacted the Head of Health and Safety.

In respect of Minute 797 it was **Agreed** to defer PIs for the audit service to the next meeting.

Mr Dawe complained about late papers and fluctuation in the times of meetings of the Committee. The Group Finance Director undertook to raise these points with the relevant administrator.

Part 2 – Matters for Decision

805 There were no matters for decision.

Part 3 – Matters for Discussion

806 Review of Outstanding Audit Recommendations

Members reviewed a report (2150/16/A) prepared by the Group Finance Director, on progress in implementing outstanding items taken from Internal Audit reports and the RSM Final Audit Findings Report 2014/15. The report showed that all the necessary action had been taken and in respect of each objective/observation all the work was complete. In respect of one item – spot checks on access to the Finance System – the time frame was 2015/16 and, hence, this action was continuing.

Members were pleased to **Adopt** the report. The Group Finance Director and relevant staff were congratulated on the achievement set out in the report.

807 Risk Management Monitoring 2016

Satwan Deol, MD Education and Skills, introduced her report (Paper 2151/16/A) on risk management monitoring. The report set out the background to the work on risk management. Key managers had done a thorough review of progress with key risks (as identified in June 2015) and new risks for external factors. It was pointed out that the role of the Committee was to monitor risks calculated as high in the Risk Management Plan. The following risks fall into that category.

- Teaching quality/support is not sufficient to achieve the target consistently in all subject areas.

The report gave an update on progress made in teaching, learning and assessment. This covered success rates, learning walks, areas requiring improvement, the use of an ex-Ofsted lead inspector to support improvements, changes to the Teaching and Learning review process, more rigorous observations including unannounced observations. The report covered training given to teachers and the outcomes of unannounced observations.

- New and existing providers entering or expanding in the markets.

The risks included the potential number of Portsmouth schools becoming academies with sixth forms. The mitigation strategies (including senior staff membership of external bodies) were outlined in detail. Key areas of growth (eg the marine sector) were described and discussed.

- Sufficient student demand to achieve long term growth targets. The learning demographics and especially information on 16-18 student numbers was reported in detail as was the growth strategies vis a vis apprenticeships.
- Risks associated with success rates were described and discussed.
- Notice to improve Apprenticeship provision due to poor 2013/14 success rates. An action plan has been agreed with SFA.
- Low quality HE Provision and the withdrawal of students. The report described the work done in relation to the software engineering level 4 course.
- The loss of funding of students not properly enrolled on English and Maths training.

A new task force has been established.

The risk management report went on to deal with the following risk areas:

- Risks associated with commercialisation
- Finance risks
- HR risks
- Risks associated with international work
- Curriculum risks

Some risks (eg marketing) have been recently put in the high risk category and some others (Firebrand Joint Venture) have been taken out of the category.

The overall conclusion was that the College has good strategies to manage risks – there is a strong approach to risk management.

In discussion members queried progress re English and Maths and were reassured by the indication that significant progress had been seen. More and more teachers had been trained in this area. Another query concerned teaching observations. The aim was ‘good’ or ‘outstanding’. The training schemes were described.

Members discussed the risks which would arise from losing the 'outstanding' classification. It was agreed that the risk was reputational (amongst other colleges, etc) and political (eg in the context of the Area Review).

In discussion the risks which directly related to finance (eg those around apprenticeships) were emphasised.

Finally, there was a discussion about the virtues of electronic versions of documents such as the course prospectus versus paper versions. Here was a dilemma – young people liked electronic versions but their parents preferred paper copies.

The report on risk management was **Adopted** and the action being taken was **Endorsed**.

808 – Evaluation

Members submitted evaluation returns. There were some concerns (see below) but overall the large majority of evaluative questions were answered positively. It was felt that the Committee was challenging in its approach, that there was good opportunity to contribute to the debate, that the decisions were sound and their impact on students were clear. The meeting was chaired and clerked effectively. It was felt in one case that papers were very late in arriving and were not clear and concise.

Part 4 – Matters of Confidentiality

There were no matters of confidentiality and no confidential minutes to approve.

Date of next meeting

Tuesday 24 May 2016 at 4.15 pm.