

The Corporation of the College of Haringey, Enfield and North East London

COMMITTEE	AUDIT
Time and Date of meeting	7.00pm Monday 15 March 2010
MINUTES	Tottenham Centre

MEMBERS

Ms A. Rudkin (Chair); Mr J. Johnstone (Vice Chairman); Mr H. Patel; Ms H. Wilson; Mr R. Pickford.

In attendance

Mr C. McCutcheon (Vice Principal Finance and Resources)
 Mr. W. Pitumpe (Director of Finance)
 Mr. S. Jakubowski (Vice Principal Human Resources and Development – item 7 only)
 Ms. T. Carter (Director of Human Resources-item 7 only)
 Mr Mr. D. Mathieson (Secretary to the Corporation)
 Mr C. Harris (Bentley Jennison)
 Mr G. Clifford (Bentley Jennison)

A1/0310 Apologies for Absence
 Apologies for absence were received from Mr R Shaunak (MacIntyre Hudson)

A2/0310 Declaration of Relevant Interests
 There were no Declarations of Interest

A3/0310 Internal Audit Reports.
 AO23 3.1 The Chair welcomed Ms Tanya Carter to the meeting. It was AGREED that the reports from the internal auditors be taken at this point to allow Mr Jakubowski and Ms Carter to leave.

IAS 01/09.10 Hourly Paid Lecturers (HPLs) and Agency Staff.
 3.2 Limited Assurance was given for this audit due to a number of actions from a previous audit on HPLs not yet actioned. In addition a number of issues relating to the engagement of agency staff were identified. Seven ‘significant’ and three ‘merits attention’ recommendations were made.

- 3.3 The committee were advised that the key issue was non compliance with procedures both in the use of agency staff and the appointment of HPL's. The situation had been exacerbated since the merger by time taken to recruit to a vacancy for the position of Director of HR vacant since September. Ms Carter took up post six weeks ago. Prior to this a number of interim managers had covered the role.
- 3.4 Ms Carter reported on the tighter controls being put in place with the two agencies involved including an on-line booking system, and the requirement for authorisation from the Finance service before appointments are made. Tighter controls will avoid appointments being made without the knowledge of the HR service.
- 3.5 Regarding discrepancies in recording on time sheets, Ms Carter advised that the college is working towards an on-line system which will reduce the risk of discrepancies.
- 3.6 In response to a question on Safeguarding and CRB checks, the Committee were assured that the procedures used with agency staff were sound.
- 3.7 The committee highlighted the need to ensure that those responsible for appointing staff are appropriately trained in operating the procedures and understand that non compliance will be a disciplinary matter. Ms Carter described the way in which procedures are being tightened and re-enforced.
- 3.8 Mr Jakubowski advised that the financial and flexibility benefits of using agency staff were eroding with the implementation of VAT charges to be imposed on the full cost of the hourly rate, not just on the agency fee. Changes in employment law further reduced the benefits of using agency staff.
- 3.9 In response to a question regarding a lack of progress on last years action points, Mr McCutcheon explained how this issue is a priority at for the SMG and is being rigorously addressed at meetings of the group.

RESOLUTION

The Committee AGREED to Note the Report

IAS03.09/10 Safeguarding Policies

- 3.10 Substantial Assurance was given and 1 'significant' and 2 'merits attention' recommendations were made. The committee welcomed the excellent progress made in implementing its safeguarding policy. In response to questions the following points were considered:
- Online training and testing on safeguarding has been rolled out across the college to all staff;
 - A helpline for learners is being set up;
 - Tutorial schemes of work include safeguarding issues to ensure learners understand the implications for themselves;

RESOLUTION

The Committee AGREED to Note the Report

IAS02.09/10 Payroll Systems

- 3.11 Substantial Assurance was given with 3 'merits attention' recommendations made. The committee extended its congratulations to the team for their work in ensuring that the system was successfully rolled out across the college with all staff being paid and there being no queries.
- 3.12 Regarding a query on the provision of monthly reports to budget holders on staff within their cost centre being identified as an example of good practice, the Chair explained that this is a sensitive issue in the public sector and not necessarily 'normal' practice.

RESOLUTION

The Committee AGREED to Note the Report

Internal Audit Progress Report

- 3.13 Mr Clifford explained changes to the scheduling of some audits. The extreme weather earlier in the year had disrupted travel arrangements leading to 2 audits being deferred. The others had been deferred due to various issues within the college. Assurance was given that internal auditors were given the full cooperation of the college management.

RESOLUTION

The Committee AGREED to Note the Report

A4/0310

Urgent Business

- 4.1 There was one item of Urgent Business agreed to be taken under the Confidential Agenda.

A5/0310

Minutes

A021

- 5.1 The Minutes of the meeting of the Audit Committee held on 23 November 2009 were **APPROVED** and signed by the Chair as a correct record.

A6/0310

**Matters Arising
Risk Register**

A031

- 6.1 Mr McCutcheon introduced a sample of a new format for the risk register. He advised that this had been prepared with the assistance of Mr Pickford. Mr Pickford took the meeting through the detail of the draft and clarified how it would be used.

6.2 The Committee welcomed the new format noting that it will be considered in more detail by management and also by the Finance, Policy and Resources Committee with a view to implementation towards the end of next term.

RESOLUTION

The Committee NOTED the report and APPROVED new format subject to consideration by the Finance, Policy and Resources Committee.

A7/03/10
A022

Audit Progress Grid

- 7.1 Mr McCutcheon clarified issues arising including the IT Back-up policy which he advised will be considered by the IT Strategy Group next month. It was noted that issues concerning KIST Ltd would be considered in a separate report later in the agenda.
- 7.2 Regarding email archiving, reasonably priced software has been sourced and implementation is planned for April

RESOLUTION

The Committee AGREED to Note the Report

A8/0310
A024

LSC Review of College ESF Provision

- 8.1 The committee felt that the report was reassuring and congratulated the team who manage this complex area of work.
- 8.2 The high risks and level of complexity associated with this type of provision was noted. Mr McCutcheon responded to questions regarding the quality of the partners the college engages with.
- 8.3 The committee requested that the frequency at which this type of work is reviewed be identified in the workplan.

RESOLUTION

The Committee AGREED to Note the Report

A9/0310
A025

Committee Work Plan

RESOLUTION

The Committee AGREED to Note the Report

A10/0310
A026

Fraud Policy

- 10.1 Mr McCutcheon presented the report and responded to queries;
- 10.2 Regarding clause 23, the level at which issues should be reported to

the committee, Mr Harris advised that £1000 was a figure common across the sector. The summary log of issues needs to be seen by the committee bi-annually which will enable them to seek further information on any logged item if they wish. Small problems may be an indicator of other systemic matters. Significant issues whether financial or reputational will automatically be reported to the committee. Mr Harris to report back on benchmarks with other colleges in terms of the value of reporting levels.

10.3 Mr Pickford made the following observations:

- Staff to need to be fully aware of the policy and implications;
- Policy should be published on the internet and with review dates identified;
- Need to ensure that the policy is line with legislation and related requirements;

RESOLUTION

The Committee AGREED to RECOMMEND the approval of the Fraud Policy to the Corporation subject to consideration by the Finance, Policy and Resources Committee.