

**BLACKPOOL AND THE FYLDE COLLEGE**

**AUDIT COMMITTEE**

**MINUTES OF A MEETING HELD ON WEDNESDAY 7 MARCH 2018 AT 5.00PM  
IN THE BOARDROOM ON THE BISPHAM CAMPUS**

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**Present:** J Mills (in the Chair) Independent Member  
S Dunstan Co-opted Subject Specialist  
K Gilmour Independent Member

**In attendance:** P Howard, PDH Advisory Limited (Clerk to the Corporation)  
R Ryan, Chief Operating Officer  
S Yeoman, Financial Controller  
J Butterfield, TIAA

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*Confirmation was provided that the Committee had taken the opportunity to meet in private with the internal auditors prior to the meeting.*

**1. Chairman and quorum**

Judith Mills took the chair and noted that due notice had been given to all Committee members and that a quorum was present. Accordingly, she declared the meeting duly convened and constituted.

**2. Apologies for absence**

Apologies for absence were received from and accepted for Lorraine Moffat.

**3. Minutes of previous meeting**

The minutes of the previous meeting held on 22 November 2017 were agreed as a true and accurate record.

**4. Internal audit reports**

**(a) Compliance review of learner numbers**

J Butterfield presented the internal audit report which had been circulated with the agenda and noted that significant assurance had been provided and that no data quality issues had been identified. In response to a question from S Dunstan, the Chief Operating Officer noted that it had not been known before the audit that no learning points would be identified, and that such assurance was beneficial.

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**(b) Cyber-security**

J Butterfield presented the internal audit report which had been circulated with the agenda and noted that a “reasonable assurance” level had been given to the audit. The committee noted the existence of 2 important action points and 7 routine ones. Particular note was made of the fact that one proposed action point had been rejected by the college surrounding the use of portable external drives. This had been considered by the SMT and the risk accepted following detailed scrutiny.

**(c) High-level financial controls**

J Butterfield presented the internal audit report which had been circulated with the agenda and noted that a “reasonable assurance” level had been given to the audit. With regard to the comments around segregation contained in the overall conclusion on page 1 of the document, S Yeoman confirmed that the recommendation had been accepted but noted that non-technological systems and processes had been in place to ensure segregation. R Ryan advised that the long timescales within the report were the result of needing to implement a new system.

The Committee **RECEIVED** the reports and noted the content.

**5. Audit tracking log**

R Ryan presented the regular audit tracking log and drew the committee’s particular attention to the summary of key points provided within the covering report.

With regard to the extension request relating to the chart of accounts contained in section 1 of the report, R Ryan provided a summary of the work to date and advised that the length of the extension is due to the fact that a decision had been taken to change the order in which various modules are implemented. The revised approach was intended to provide greater efficiency and would potentially provide greater cost saving opportunities. In response to a question from K Gilmour, R Ryan advised that the recommendation to alter the approach had come direct from the software provider.

The Committee **RECEIVED** the report and noted the content.

**6. Bank/compliance report**

R Ryan presented the regular bank/compliance report for information.

The Committee **RECEIVED** the report and noted the content.

**7. Risk management update**

R Ryan presented a risk management update report, which summarised the recent review of the risk register and progress made on mitigation actions. A copy of the updated risk register was also presented for scrutiny.

The Committee discussed a number of the risks on the register and the mitigating actions that had been taken. In response to a suggestion from S Dunstan, R Ryan noted the fact that a number of delayed risks had been RAG rated as green and agreed that, where necessary, additional commentary would be provided to explain this further.

The Committee **RECOMMENDED** the risk register to the Board for approval.

#### **8. Items for future consideration**

J Mills suggested an item for future consideration but noted that the topic would also be discussed by the board at its next meeting. It was agreed that a watching brief would be maintained.

#### **9. Date, time and venue of next meeting**

The next meeting of the Audit Committee will be held on 13 June 2018, 5.00pm on the Bispham Campus.