

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON TUESDAY 21 MARCH 2017

Membership (7):	*	Charles Cardiff	External Member	Chair
	*	Neale Killick	External Member	
	*	Nicole Martin	Co-opted Member	
	*	Martin Slatford	External Member	
	*	Pamela Woolgrove	External Member	Vice Chair
		Vacancy (MM)	Staff Member	
		Vacancy (SK)	External Member	
Quorum:		3 Members required	5 present at start	Meeting quorate
In Attendance:		Mark Bonnett	Finance Manager (FM)	
	*	Anthony Bravo	Principal	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	Daniel Canham	Mazars (Internal Auditor) (IA)(DC)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
Present at meeting:	*			

PART 1 – NON CONFIDENTIAL MATTERS

(4.30pm)		ACTION
558.	APOLOGIES FOR ABSENCE There were no apologies received.	
559.	DECLARATIONS OF INTEREST There were no Declarations of Interest made.	
560.	NOTIFICATION OF ANY OTHER BUSINESS There were no items of Any Other Business notified.	
561.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 30 November 2016 were confirmed as a correct record, and were signed by the Chair.	
562.	MATTERS ARISING There were no Matters Arising discussed that had not been considered elsewhere at the meeting.	

563.	<p>PROGRESS REPORT ON IMPLEMENTATION OF RECOMMENDATIONS FROM PREVIOUS INTERNAL AND EXTERNAL AUDIT REPORTS</p> <p>A written report was received, considered and noted. The DPFR took the Ctte through the report and updated it on progress with regards to each of the recommendations made at previous audits.</p> <p>A total of 8 recommendations were outlined in the report. The DPFR advised that 5 had been completed, and the remaining 3 were due for completion by June 2017. He advised also that the Internal Auditor had reviewed the outstanding recommendations as part of his follow-up review, and had confirmed appropriate progress had been made.</p> <p>The DPFR advised further that the IT element of the business continuity plan had been updated following testing of specific elements and included a log of the 'lessons learnt' and a schedule of actions taken.</p>	
564.	<p>INTERNAL AUDIT SERVICE</p> <p>1. Follow Up Review (01.16/17)</p> <p>A written report was received, considered and noted. The Internal Auditor advised that of the 33 outstanding recommendations reviewed, 19 had been implemented, 5 were in progress, 6 had not yet been implemented, and 3 had been superseded.</p> <p>2. Core Financial Systems – Assets and Inventories (02.16/17) (Final)</p> <p>A written report was received, considered and noted. The Internal Auditor concluded that he had given 'adequate assurance' on the effectiveness of internal controls reviewed. A total of 5 recommendations had been made, 2 graded Priority 2 (significant) and 3 graded Priority 3 (housekeeping), all of which had been accepted by College Management.</p> <p>The DPFR highlighted the difficulties of control of the College laptop computers as they were often re-located without approval, not returned to their appropriate charging stations, or damaged. In response to a question he estimated that approx. less than 10 were damaged beyond repair or stolen during the year, a very small proportion of the overall number of laptops owned by the College.</p> <p>3. Subcontracting Controls (03.16/17) (Final)</p> <p>A written report was received, considered and noted. The Internal Auditor advised that the review covered a number of 'technical' matters raised by the SFA as a part of their requirements on sub-contracting provision. He advised further that all of the recommendations made in 2015/16 (2 graded Priority 2 and 3 graded Priority 3) had been implemented, and that there were no recommendations made with regards to 2016/17.</p> <p>4. Core Financial Systems – Online Payments System (04.16/17) (Final)</p> <p>A written report was received, considered and noted. The Internal Auditor concluded that he had given 'adequate assurance' on the effectiveness of internal controls reviewed. A total of 5 recommendations had been made, 1 graded Priority 2 (significant) and 4 graded Priority 3 (housekeeping), all of which had been accepted by College Management.</p> <p>5. Progress Report 2016/17</p> <p>A written report was received, considered and noted. The Internal Auditor advised that 4 reviews had been undertaken and the reports considered by the Audit Ctte. He outlined the proposed timetable for the remaining reviews scheduled for the financial year. He advised further that the contingency allocation had not yet been allocated.</p>	

565.	<p>RISK MANAGEMENT</p> <p>A written report was received and considered. The DPFR advised that three new risks had been added to the register:</p> <ol style="list-style-type: none"> 1. Merger with Alton College 2. The financial contribution from apprenticeship delivery 3. Transition from QCF qualifications to NQF qualifications, and the resultant impact on student achievement <p>The DPFR advised further that, with regards to the financial contribution made by apprenticeship delivery, following changes to the funding methodology (framework outcomes to standards outcomes) apprenticeships were not earning sufficient income to cover their costs. He advised further that the DP Business was undertaking an in-depth review of the whole of the apprenticeship provision and would make recommendations to the SMT.</p> <p>The DPFR also advised on changes to the general qualifications offered by the College and the national move to an exam-based structure. Coupled with declining student numbers he stressed that it would force a rationalisation of course provision that could also impact on student numbers and achievement.</p> <p style="text-align: center;">It was RESOLVED that the updated Risk Register be agreed.</p>	
566.	<p>USE OF COLLEGE SEAL</p> <p>The Clerk advised that the Seal had not been used since the last meeting.</p>	
567.	<p>ANY OTHER BUSINESS</p> <p>There were no items of Any Other Business discussed.</p>	
568.	<p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wed 14 Jun 2017</p>	
(5.15pm)	Meeting closed	