

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON THURSDAY 30 NOVEMBER 2017

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| Membership (7): | * | Charles Cardiff | External Member | Chair |
| | | Nicole Martin | Co-opted Member | |
| | * | Tim Sayer | External Member | |
| | * | Martin Slatford | External Member | |
| | * | Pamela Woolgrove | External Member | Vice Chair |
| | | Vacancy (SC) | External Member | |
| | | Vacancy (MM) | Staff Member | |
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| Quorum: | | 3 Members required | 4 Members present at start | Meeting quorate |
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| In Attendance: | * | Anthony Bravo | Principal | |
| | * | Simon Burrell | Clerk to the Corporation (Clerk) | |
| | * | Dan Canham | Mazars (Internal Auditor) (IA) | |
| | * | Carol Davey | Mazars (External Auditor) (EA) | |
| | * | Katrina Heath | Health & Safety Officer (HSO) | |
| | * | David Moir | Deputy Principal Finance & Resources (DPFR) | |
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| Present at meeting: | * | | | |

PART 1 – NON CONFIDENTIAL MATTERS

| | | ACTION |
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| 584. (5.23pm) | <p>HEALTH AND SAFETY ANNUAL REPORT 2016/17</p> <p>A written report was received and considered. The HSO took the Cttee through the report. She gave the Cttee an overview on health and safety matters and advised that:</p> <ul style="list-style-type: none"> The number of college related incidents resulting in injury dropped from 108 (2015/16) to 97, The College had 1 RIDDOR reportable incident during 2016/17, Compared to AOC national figures, incident rates showed that the College continued to record a lower number of College related incidents than other relative sized colleges, Compared to national and regional statistics taken from the health & Safety Executive, the College was currently operating well below the accident/incident levels compared to other businesses both locally and nationally, The number of out-of-college trips recorded had reduced from 199 (2015/16) to 153. <p>The HSC advised that health and safety audits had been undertaken across three departments (Engineering, Motor Vehicle and Construction) that were deemed to be high risk areas. An external consultant had carried-out the audits and had highlighted</p> | |

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| 584. (cont) | <p>several matters that required further attention, none of which were deemed as major issues. In response to a question from a Member the HSC confirmed that all matters raised had been actioned and completed.</p> <p>The Chair raised the question of fire safety in relation to the external cladding of the buildings. The DPFR advised that fire evacuation tests had been undertaken and all areas evacuated in a maximum of 2 minutes. He stressed that the important element was for quick evacuation, and that the concerns related mainly to high rise buildings. It was noted that there was one building on North Site that was of four stories, and that this had been reported to ESFA via an online survey. The Principal stressed that, unlike the Grenfell Tower tragedy, all BCoT buildings had multiple escape exits, and he was confident that in the event of a real fire everyone would be able to be evacuated safely.</p> <p>It was RESOLVED that the Health and Safety Annual Report 2016/17 be received and agreed.</p> <p><i>(The HSO left the meeting)</i></p> | |
| 585. (5.36pm) | <p>APOLOGIES FOR ABSENCE</p> <p>Nicole Martin.</p> | |
| 586. | <p>DECLARATIONS OF INTEREST</p> <p>There were no Declarations of Interest made.</p> | |
| 587. | <p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 14 June 2017 were confirmed as a correct record, and were signed by the Chair.</p> | |
| 588. | <p>MATTERS ARISING</p> <p>1. Audit Ctte's Contingency Allowance (Minute 578.3)</p> <p>It was noted that the Ctte would confirm the use of its allocation at the next meeting.</p> | (Ctte) |
| 589. (5.38pm) | <p>INTERNAL AUDIT SERVICE</p> <p>1. Learner Number Systems (06.16/17) (Final)</p> <p>A written report was received, considered and noted. The IA advised that he had graded the outcomes in two parts, based on EFA and SFA activity. For EFA provision he had concluded the College was 'compliant', and for SFA provision he had concluded as 'partially compliant'. A total of 6 recommendations had been made, one graded Priority 2 (Significant) and 5 graded Priority 3 (housekeeping), all of which had been accepted by College Management.</p> <p>2. Progress Report 2016/17</p> <p>A written report was received, considered and noted. The IA advised that, of the 24 recommendations reviewed, 14 had been implemented fully, 4 were in progress, 5 not implemented and 1 had been superseded.</p> <p>3. Internal Audit Annual Report 2016/17</p> <p>A written report was received and considered. The IA advised that the College had continued to retain a full-scope internal audit and that he was able to issue a clean unqualified report.</p> <p>The IA took the Ctte through the report and referred the Ctte to the Annual Opinion</p> | |

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| <p>589. (cont)</p> | <p>contained in the report. He confirmed that he considered that the College's governance, risk management and internal control arrangements were generally adequate and effective to manage the achievement of the college's objectives. Certain weaknesses and exceptions had been highlighted through the IA's audit work, but none had been considered fundamental. This, and all other matters, had been discussed with management, to whom recommendations had been made. All recommendations had been, or were in the process of being addressed, as detailed in the individual audit reports.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Internal Audit Report 2016/17 be received and agreed. <i>(Proposed by Charles Cardiff, Seconded by Pamela Woolgrove)</i></p> <p><i>(Tim Sayer left the meeting)</i></p> | |
| <p>590. 5.48pm)</p> | <p>FINANCIAL STATEMENTS AND REGULARITY AUDIT 2016/17</p> <p>A written report was received and considered. The EA advised that, as a result of his audit work, he proposed to issue an unqualified opinion without modification. He advised also that, in his opinion, the College was deemed as a 'going concern', and had a strong cash position.</p> <p>The EA advised further that Mazars Actuaries had reviewed the LGPS Actuaries report and felt that the LGPS Actuaries assumptions were slightly lower than expected. However, after a detailed discussion with College Management, the EA was satisfied that the assumptions made by the LGPS Actuary would stand.</p> <p>The EA also advised that the College also had an Enhanced Pension Provision in the accounts. Following a review by the College the EA was satisfied that provision should be increased by £50,463 to £1,233,482, with a remaining difference of £54,031 being included as an unadjusted misstatement in the accounts.</p> <p>With regards to the regularity audit, the EA confirmed that there were no issues arising, and that he had issued a clean opinion.</p> <p>The EA also advised that the Letters of Representation had been issued in a prescribed format, and that no changes had been made.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the External Audit Report, the Regularity Audit 2016/17 and the Letters of Representation be received and agreed. <i>(Proposed by Charles Cardiff, Seconded by Martin Slatford)</i></p> | |
| <p>591. (6.09pm)</p> | <p>ESFA FUNDING AUDIT</p> <p>A written report was received, considered and noted. The DPFR advised that the College had been notified that it had been selected for an ESFA funding audit, the second such audit in three years.</p> <p>The DPFR advised further that the audit had identified issues with the recording and completion of work experience and with the accuracy and completeness of withdrawal information for apprentices and adult learners that were registered by sub-contractors.</p> <p>As a result, the DFPR advised that Aspiral had tightened-up their controls around records submitted by subcontractors, particularly in relation to evidencing that learning was continuing to take place on each part of an apprenticeship framework.</p> | |
| <p>592. (6.20pm)</p> | <p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received, considered and noted. The DPFR advised that the risk for Bordon had increased following a slightly lower than expected enrolment, and on the Auditor's requirement to base the rent-free period of the first 30 months over the full 25 year period of the lease.</p> | |

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| 592. (cont) | <p>The DPFR advised further that no new risks had been added, and that the risk related to the proposed merger with Alton College would be removed following their (Alton College) decision not to progress with merger.</p> <p>The DPFR also highlight three curriculum-related risks (S7, Q4 and Q3) that had risen slightly. These related to concerns regarding financial viability in the light of lower funding and reduced enrolments for apprenticeships, changes to the examination requirements for GCSE maths and English that were likely to result in lower achievement, and potential insufficient progress in value-added.</p> | |
| 593. (6.30pm) | <p>AUDIT COMMITTEE'S ANNUAL REPORT 2016/17</p> <p>A written report was received and considered. The Clerk advised that the Annual Report reflected on the work of the Audit Ctte during the year, and included assurances from the Internal Auditor's annual report, the External Auditor's completion report, risk management and health and safety reports.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Audit Committee's Annual Report 2016/17 be received and agreed. <i>(Proposed by Martin Slatford, Seconded by Pamela Woolgrove)</i></p> | |
| 594. | <p>ELECTION OF VICE CHAIR OF THE COMMITTEE</p> <p>The Clerk advised that the term of office of Vice Chair of the Committee had expired on 29 November 2017. He called for nominations for Vice Chair of the Ctte for a two-year term of office commencing on the 30 November 2017. One nomination was received.</p> <p>It was RESOLVED that Pamela Woolgrove be elected Vice Chair of the Ctte for a two-year term of office commencing on the 30 November 2017. <i>(Proposed by Charles Cardiff, Seconded by Martin Slatford)</i></p> | |
| 595. | <p>USE OF COLLEGE SEAL</p> <p>The Clerk advised that the Seal had been used once since the last meeting.</p> | |
| 596. | <p>ANY OTHER BUSINESS</p> <p>1. Appointment of Internal Auditor</p> <p>The DPFR advised that the appointment of the internal auditor had been deferred whilst the proposed merger with Alton College was being progressed. Now that merger was not taking place he proposed that a formal tendering process be undertaken in the new year.</p> <p>It was RESOLVED that a tender for the appointment of internal auditor be issued in the new year.</p> | |
| 597. | <p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 7 March 2018 Wednesday 13 June 2018</p> | |
| (6.39pm) | Meeting closed | |