

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

*Owing to the national emergency restrictions imposed by HM Government because of the global Covid 19 pandemic
this meeting was held by video conference*

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 25 NOVEMBER 2020

Membership (7):	*	Charles Cardiff	External Member	Chair
	*	Nicole Martin	Co-opted Member	
	*	Martin Slatford	External member	
	*	Pamela Woolgrove	External Member	Vice Chair
		Vacancy (TS)	External Member	
		Vacancy (MM)	Member	
		Vacancy (CM)	Member	
Quorum:		3 Members required	4 Members present	Meeting quorate
In Attendance:	*	Anthony Bravo	Principal	
	*	Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	i	Katrina Heath	Health & Safety Co-ordinator (HSC)	
	*	Chris Mantel	Alliotts (Financial Statements Auditor) (FSA)	
	*	Clarence Mpofo	TIAA (Internal Auditor (IA)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
Present at meeting:	*			
Minute 695 only:	i			

PART 2: CONFIDENTIAL MATTERS

(5.00pm)		ACTION
687.	APOLOGIES FOR ABSENCE Pamela Woolgrove.	
688.	DECLARATIONS OF INTEREST There were no Declarations of Interest made.	
689.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	

690.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 10 June 2020 were confirmed as a correct record and would be signed by the Chair as soon as national restrictions allowed.</p>	
691.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>1. Audit Ctte Contingency Allowance 2020/21</p> <p>It was agreed to review this by email correspondence.</p>	
692.	<p>INTERNAL AUDIT REPORTS</p> <p>1. Summary Internal Controls Assurance Report (Progress Report) 2020/21</p> <p>A written report was received for information and noted. The IA advised that two further internal audit reviews had been undertaken (see below) prior to the COVID-19 pandemic restrictions in March 2020. From that date all remaining scheduled internal audits were deferred until 2020/21.</p> <p>2. Assurance Review: Security and Safety Arrangements</p> <p>A written report was received for information and noted. The IA advised that he had issued an overall assurance assessment of ‘substantial assurance’. A total of 5 recommendations (3 graded ‘routine’, and 2 graded ‘operational’) had been made, all of which had been accepted by College Management. The IA took the Ctte through the recommendations and outlined the management responses and progress.</p> <p>3. Assurance Review: Subcontracting</p> <p>A written report was received for information and noted. The IA advised that he had issued an overall assurance assessment of ‘substantial assurance’. A total of 7 recommendations (4 graded ‘routine’, and 3 graded ‘operational’) had been made, all of which had been accepted by College Management. The IA took the Ctte through the recommendations and outlined the management responses and progress.</p> <p>4. Internal Audit Annual Report 2019/20</p> <p>A written report was received and considered. The IA advised that prior to the COVID-19 pandemic restrictions three internal audit reviews had been undertaken. Two had received ‘substantial assurance’ and one had received ‘limited assurance’. A total of 15 days had been used out of the planned 35 days. In response to a question the IA confirmed that reviews would continue to be undertaken remotely.</p> <p style="text-align: center;">It was RESOLVED to RECOMMEND to the CORPORATION that the Internal Audit Annual Report 2019/20 be agreed. (Proposed by Martin Slateford, Seconded by Nicole Martin)</p>	
693.	<p>FINANCIAL STATEMENTS AND REGULARITY AUDIT 2019/20</p> <p>1. Audit Completion Report 2019/20</p> <p>A written report was received and considered. The FSA advised that the review had been undertaken remotely because of the COVID-19 pandemic restrictions and thanked the DPFR, FM and Finance Team for their help and forbearance during the process.</p> <p>The FSA advised that he had issued a clean opinion for both the financial statements and regularity audits, and confirmed that, in his opinion, despite showing a deficit there were sufficient cash reserves for the Group to continue to operate as a going</p>	

<p>693. (cont)</p>	<p>concern.</p> <p>The FSA advised further that there was one matter outstanding, in relation to COVID-19 relief funds (£94k) received by WBTC and how they should be incorporated into the WBTC accounts. He also highlighted that there was a capacity issue with regards to finance personnel at WBTC that had caused a delay in finalising their accounts. He stressed that this would not affect the signing-off of the Group accounts as he had applied the Group materiality level across the consolidated accounts. He confirmed that the WBTC accounts would be completed for submission by the revised date of 31 January 2021.</p> <p>In reviewing his report, the FSA advised that the significant increase in the pension deficit was a national issue affecting all colleges and was required to be shown in the accounts. The amount was calculated by the actuary based on college data and a number of key actuarial assumptions.</p> <p>2. Regularity Self-assessment Questionnaire (SAQ) and Annex A</p> <p>A written report was received and considered. The FM advised that the SAQ was based on a prescribed format and had been completed accordingly. Annex A was an additional self-assessment related to the COVID-19 pandemic. In response to a question the FM advised that he was satisfied in the security arrangements that had been put in place with regards to staff working from home, and that the systems had not been compromised. He outlined the processes had been adopted to monitor regularly with staff regarding their daily operations from their homes.</p> <p>3. Letters of Representation</p> <p>The FSA advised that the Letters of Representation had been issued in a prescribed format.</p> <p>4. Recommendation</p> <p style="text-align: center;">It was RESOLVED to RECOMMEND to the CORPORATION that the Audit Completion Audit Report, the Regularity Audit 2018/19 and the Letters of Representation be received and agreed. (Proposed by Charles Cardiff, Seconded by Martin Slafford)</p>	
<p>694.</p>	<p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received and considered.</p> <p><i>[Part of the discussion held has been minuted under Confidential cover]</i></p> <p>Another new risk had been added around the reliance the College has on key customers and the implications for the College if it were to lose those customers.</p> <p>COVID-19 had also had a major impact on apprenticeship delivery but was deemed a continuing risk due to the considerable impact of COVID-19 on day release apprenticeships. New starts had dropped by 50%. The possibility of working with other colleges regarding consolidating elements of joint teaching on different aspects of apprenticeship programmes to help ensure viability of vulnerable programmes was suggested.</p> <p>The DPFR advised further that the overall impact of COVID-19 was being managed well within the College. The start of the autumn term had been difficult, and a large number of risk mitigation actions had been put in place.</p> <p>The DPFR highlighted that, on the positive side, full-time student numbers had increased in September 2020 along with the College's market-share within the Basingstoke area.</p>	

695.	<p>HEALTH & SAFETY ANNUAL REPORT 2019/20</p> <p>A written report was received and considered. The HSC took the Ctte through her report and highlighted the work on health and safety matters that had been undertaken during the year. In particular, she outlined the actions taken to ensure the College was as COVID-19 secure as was possible. It was noted that the staff of the College had responded to an internal survey confirming that they were happy with the actions taken and felt as safe as was possible.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Health & Safety Annual Report 2019/20 be received and agreed. (Proposed by Charles Cardiff, Seconded by Martin Slafford)</p>	
696.	<p>AUDIT COMMITTEE'S ANNUAL REPORT 2019/20</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 Financial Statements Auditor's completion report, risk management and health and safety reports. In addition, it included reference to the COVID-19 pandemic and the support the College had received from the internal auditor and the financial statements auditor.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Audit Committee's Annual Report 2019/20 be received and agreed. (Proposed by Pamela Woolgrove, Seconded by Martin Slafford)</p>	
697.	<p>USE OF COLLEGE SEAL</p> <p>The DPFR advised that the College Seal had not been used in the period since the previous meeting.</p>	
698.	<p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 17 March 2021 Wednesday 16 June 2021</p>	
699.	<p>EXCLUSION OF OFFICERS</p> <p>No Officers were excluded from the meeting.</p>	
700.	<p>AUDITORS' ONLY</p> <p>The Internal Auditor and the FSA advised that they had no matters to raise.</p>	
(5.58pm)	Meeting closed	

Confirmed as a correct record		17 March 2021
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