

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 24 NOVEMBER 2021

Membership (6):	*	Charles Cardiff	External Member	Chair
	*	Beryl Huntingdon	External Member	
	*	Nicole Martin	Co-opted Member	Vice Chair
		Martin Slatford	External member	
	*	Colin Willoughby	External Member	
	*	Pamela Woolgrove	External Member	
Quorum:		3 Members required	5 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)	
	*	Mike Howe	Chair of the Corporation	
	*	Chris Mantel	Alliotts (Financial Statements Auditor) (FSA)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
	*	Kevin Moloney	TIAA (Internal Auditor) (IA)	
Present at meeting:	*			
Minute 732 only:	i			

PART 1: NON-CONFIDENTIAL MATTERS

(5.00pm)		ACTION
725.	<p>APOLOGIES FOR ABSENCE</p> <p>Martin Slatford, Clarence Mpofo (Internal Auditor).</p> <p>The Clerk advised that the Chair of the Corporation was present on the (national) advice of the ESFA in that the Corporation (through the Chair) was able to hear from the External Auditor and receive assurances on the financial statements direct from him.</p>	
726.	<p>DECLARATIONS OF INTEREST</p> <p>There were no Declarations of Interest made.</p>	
727.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 16 June 2021 were confirmed as a correct record and were signed by the Chair.</p>	

728.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>1. Internal Audit Plan 2021/22 (Minute 717.3)</p> <p>Discussed as part of Minute 729 below.</p> <p>2. Audit Ctte’s Contingency Allowance (Minute 717.4)</p> <p>The Chair of the Audit Ctte advised that the Ctte requested that the Internal Auditor look at the experience of the electric vehicle project, the rationale behind it, what happened, and what could be learnt from it.</p>	Internal Auditor
729.	<p>INTERNAL AUDIT REPORTS</p> <p>1. Internal Audit Plan 2021/22</p> <p>The final Internal Audit Plan was received and considered. The IA advised that there had been a minor amendment made to the Plan.</p> <p style="text-align: center;">It was RESOLVED that the Internal Audit Plan 2021/22 be agreed.</p> <p>2. Compliance Review of Learner Numbers</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’, and that there had been no recommendations made.</p> <p>3. Business Continuity Planning Follow Up</p> <p>A written report was received for information and noted. The IA advised that he had reviewed the two outstanding recommendations from the original report and that action to resolve both was in hand.</p> <p>4. Cyber Security Maturity Assessment</p> <p>A written report was received for information and noted. The DPFR advised that the Director of IT continued to make good progress in resolving the matters raised in the report.</p> <p>5. Follow Up Review</p> <p>A written report was received for information and noted. The IA advised that of the 18 recommendations made in 6 reviews 16 had been completed, and that work continued on the two outstanding recommendations.</p> <p>6. Internal Audit Annual Report 2020/21</p> <p>A written report was received and considered. The IA advised that a total of seven reviews had been undertaken during the 2020/21 period, three had been graded ‘substantial assurance’, two ‘reasonable assurance’ and the remaining two were advisory/follow up and no grades given. A total of 30 days had been used out of the planned 35 days, with the remaining 5 days carried over to 2021/22.</p> <p style="text-align: center;">It was RESOLVED to RECOMMEND to the CORPORATION that the Internal Audit Annual Report 2020/21 be agreed.</p>	
730.	<p>FINANCIAL STATEMENTS AND REGULARITY AUDITS 2020/21</p> <p>Written reports were received and considered. The FSA advised that following the easing of Covid-19 restrictions the audit of the financial statements had been undertaken on-site. He advised further that the audit had resulted in an unqualified opinion, that the College was in good financial health, and had good controls in place.</p>	

<p>730. (cont)</p>	<p>The FSA highlighted that the ESFA no longer provided assurance regarding the income generated and paid through the ILR. He had, therefore, had to undertake additional work to ensure that he could be assured on this matter. He also advised that the largest change for the year had been with regards to pension liability. He advised further that pension liability had shown a gain of £3.5m, compared to a loss of £6m in 2019/20.</p> <p>The Chair of the Corporation sought clarification on how the FSA sought independent assurance regarding the level of funds held in the College's various bank accounts. The FSA advised that he sought and received a certificate for each account held direct from the banks confirming the level of funds held in each and was able to verify those against the bank statements provided by the College.</p> <p>With regards to the regularity audit, the FSA advised that he had carried out a limited assurance review and was satisfied that the College had disbursed expenditure and income received for the purposes identified by Parliament, and that the financial transactions conform to the authorities that govern them.</p> <p>The FM confirmed that the two self-assessment questionnaires had been updated from the previous year and were presented for approval.</p> <p style="text-align: center;">It was RESOLVED to RECOMMEND to the CORPORATION that the Audit Completion Audit Report and the Regularity Self-assessment Questionnaires be received and agreed.</p>	
<p>731.</p>	<p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received for information and noted. The DPFR advised that the Risk Register had been reviewed and updated. He stressed that there had not been a great deal of change in the risk profile of the College since the last risk update. Changes to the risk scores were:</p> <ul style="list-style-type: none"> • WBTC risk increased due to worsening financial projections and a challenging outlook • Safeguarding and Prevent increased following reassessment of the impact of failing to always follow best practice and increased attention being paid to this by Ofsted • Achievement rates risk reduced following good results for 2020/21 • Recruitment of staff with specialist skills increased due to ongoing difficulty in recruiting construction and engineering staff • Business Continuity Plan risk increased as the whole document required updating • Student punctuality risk increased following recent Ofsted review <p>Four risks had been removed from the register (listed in the report).</p> <p>The DPFR advised also that the heat map (as shown in the covering report) had identified four specific risks with high likelihood/impact ratios:</p> <ul style="list-style-type: none"> • Risk R8: IT security • Risk S13: reliance on key customers • Risk S1: declining learner numbers • Risk Q9: implementation of safeguarding and prevent responsibilities 	
<p>732.</p>	<p>HEALTH & SAFETY ANNUAL REPORT 2020/21</p> <p>A written report was received and considered. The HSC took the Ctte through her report and highlighted the wide range of health and safety activities undertaken during the year. In particular, she outlined the continued actions taken to ensure the College was as COVID-19 secure as was possible.</p>	

732. (cont)	<p>The HSC also highlighted the key objectives for health and safety for 2021/22, as listed in her report.</p> <p>In response to a question from a Member the HSC advised that there had been a rise in anxiety amongst the students, not just because of the Covid-19 situation. She stressed that it was a challenging time, and that more first aiders and counsellors had been appointed to help the students with a variety of issues.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Health & Safety Annual Report 2020/21 be received and agreed.</p>	
733.	<p>AUDIT COMMITTEE'S ANNUAL REPORT 2020/21</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.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Audit Committee's Annual Report 2020/21 be received and agreed.</p>	
734.	<p>USE OF COLLEGE SEAL</p> <p>The Clerk advised that the College Seal had not been used in the period since the previous meeting.</p>	
735.	<p>ELECTION OF VICE CHAIR OF THE AUDIT COMMITTEE</p> <p>The Clerk called for nominations for Vice Chair of the Audit Ctte for a two-year term of office commencing on the 30 November 2021. One nomination was received.</p> <p>It was RESOLVED that Nicole Martin be elected Vice Chair of the Audit Ctte for a two-year term of office commencing on the 30 November 2021. <i>(Proposed by Pamela Woolgrove, Seconded by Beryl Huntingdon)</i></p>	
736.	<p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 23 March 2022 Wednesday 15 June 2022</p>	
(6.41pm)	Meeting closed	