

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 23 MARCH 2022

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	3 Members present	Meeting quorate
In Attendance:	*	Anthony Bravo	Principal	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
	*	Clarence Mpopu	TIAA (Internal Auditor) (IA)	
Present at meeting:	*			

PART 1: NON-CONFIDENTIAL MATTERS

(5.00pm)		ACTION
741.	<p>APOLOGIES FOR ABSENCE</p> <p>Charles Cardiff, Beryl Huntingdon, Pamela Woolgrove.</p> <p>In the absence of the Chair of the Ctte the Vice Chair took the chair for the meeting.</p>	
742.	<p>DECLARATIONS OF INTEREST</p> <p>There were no Declarations of Interest made.</p>	
743.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 24 November 2021 were confirmed as a correct record and were signed by the Vice Chair.</p>	
744.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>There were no Matters Arising discussed that were not due to be considered elsewhere on the agenda.</p>	

745.	<p>INTERNAL AUDIT REPORTS</p> <p>1. Risk Management Arrangement including Assurance over Mitigating Controls</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 one recommendation made (grade 'routine'). He took the Ctte through the recommendation and highlighted the action taken.</p> <p>2. Performance management and Governance Review</p> <p>A written report was received for information and noted. The IA advised that he had issued an overall assurance assessment of 'reasonable assurance', and that there had been three recommendations (two graded 'important' and one graded 'routine'). He took the Ctte through the recommendations and highlighted the action taken.</p> <p>3. Progress Against Annual Plan 2021/22</p> <p>The IA advised that progress against the Annual Plan was on target to be completed during the Summer Term 2022. In response to a question from a Member the IA confirmed that the Audit Ctte's contingency allocation review on the electric vehicle centre would be undertaken in May 2022.</p>	
746.	<p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received and considered. The DPFR advised that since the last meeting there had been one significant change to the Heat Map. Risk S9 (Apprenticeship delivery not financially viable) had been increased to 'red' (catastrophic/almost certain).</p> <p>The DPFR advised that this action had been taken as the College understood that another Hampshire college was facing a potentially massive funding clawback following an ESFA funding audit whereby some apprenticeship records had not been kept up to date and accurate. He advised further that the College's (BCoT) records were being reviewed to ensure that all records had been completed fully, were up to date, and had relevant evidence attached to them. He also advised that when this work was completed, and any missing evidence had been provided, this risk assessment could be reduced.</p> <p>In addition, Plumbing and Electronics apprenticeships were proving to be extremely resource-heavy for the level of funding they achieved. He advised that it was possible that neither could be delivered in the future. Work was currently being undertaken to review BCoT's delivery compared to other providers and assess if there were any alternative delivery methods that could be adopted.</p> <p>In response to a question from a Member the DPFR advised that, at the present time, there did not appear to be any obvious mechanism to mitigate against the problems related to reduced apprenticeship enrolments and delivery matters.</p> <p>The DPFR also advised that the risk relating to the financial stability of the College had been increased, recognising that the College was facing a 'double whammy' of reduced funding due to low student numbers in 2021/22 and higher costs, especially wage inflation and utility costs. He advised further that the College's financial health score was likely to drop in 2022/23, but due to the strong level of cash reserves and no borrowings position he felt that this was not an immediate cause for concern.</p>	

746. (cont)	<p>The DPFR stressed that the College could not continue operate in a cash deficit scenario for long, and that it could be required to revise its capital programme and embark on a cost reduction programme. September 2022 enrolments would be crucial in determining the way forward.</p> <p>It was noted that the financial risk would have been scored much higher if it was not for a very substantial increase in funding rates announced for 2022/23 for 16-18 provision, worth nearly £1m to BCoT.</p>	
747.	<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>	
748.	<p>DATES OF FUTURE MEETINGS</p> <p><i>(Members Only pre-meetings commence at 5.00pm. Formal Audit Ctte meetings commence at 5.15pm)</i></p> <p>Wednesday 15 June 2022 Wednesday 23 November 2022 Wednesday 15 March 2023 Wednesday 14 June 2023</p>	
749.	<p>EXCLUSION OF OFFICERS</p> <p>No Officers were excluded from the meeting.</p>	
750.	<p>AUDITORS' ONLY</p> <p>The Internal Auditor advised that he had no matters to raise.</p>	
(6.07pm)	Meeting closed	